Daily Report

East Asia

FBIS-EAS-90-045
Wednesday
7 March 1990

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CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

Security Council Five To Reconvene on Cambodia *[AFP]* 1
'Text' of Phoun Sipaseut Speech in Jakarta *[Vientiane Radio]* 1
OECD Panel Ends Two Days of Closed Talks *[Tokyo KYODO]* 2
Economic Group Plans To Consider New Members *[Melbourne International]* 3

NORTHEAST ASIA

Japan

Kaifu Wants Tangible Measures for SII Talks *[KYODO]* 4
Kaifu Pledges Economic Reform, Better U.S. Ties *[KYODO]* 4
Matsunaga Urges End to Friction With U.S. *[KYODO]* 5
Kaifu Says Diet Group May Visit U.S. 'Soon' *[KYODO]* 5
Takeshita To Meet Bush En Route to Brazil *[KYODO]* 5
KYODO Cites U.S. Official on Law Changes 5
Business Leader Cautions About Law Revision *[KYODO]* 6
Kaifu Says Recruit Donations No 'Problem' *[KYODO]* 6
Table Shows Strength of Parties in Houses *[KYODO]* 6
Kaifu Says Yen's Latest Fall No Crisis *[KYODO]* 7
BOJ Governor: 'No Imminent Need' for Rate Hike *[KYODO]* 7
RYUKYU SHIMPO Article on U.S. Bases *[Naha, 24 Feb]* 8
Official Says Public Influences Ties With USSR *[KYODO]* 9
Mongolian Premier Departs for Home After Visit *[KYODO]* 9
Lawyers Oppose Extradition of PRC Hijacker *[KYODO]* 9
Keidanren: Liberalization Would Lower Prices *[KYODO]* 10
Government Report Urges Breakup of NTT *[KYODO]* 10
Foreign Share in Chip Market Hits Record High *[KYODO]* 11
Nation Achieving Dominance in Memory Chip Market *[KYODO]* 11
NEC Signs Chip Accord With AT&T Subsidiary *[KYODO]* 12
Matsushita To Open Research Lab to Foreigners *[KYODO]* 13
Major Firms Said Bullish on Near-Term Outlook *[KYODO]* 13

Mongolia

Democratic Union Launches Hunger Strike *[East Berlin ADN]* 14
MPRP, Presidium Respond to Opposition Demands *[Ulaanbaatar International]* 15
Batmonh Delivers Speech on Informal Movements *[Ulaanbaatar International]* 15
Premier Sodnom Meets Japanese Emperor, Leaders *[Ulaanbaatar International]* 16
Correction to Rally Demands Presidential Rule 17

North Korea

Armed Forces Ministry Issues Tunnel Statement *[Pyongyang Radio]* 17
Rally Opposes Joint Maneuvers, Tunnel 'Plot' *[KCNA]* 19
North Outlines Steps for Military Withdrawal *[Pyongyang Radio]* 20
NODONG SINMUN Urges U.S. Withdrawal *[KCNA]* 21
KCNA Levels Criticism at No Tae-u 6 Mar 21
ROK's No Denounced for Suppression of Labor *[KCNA]* 23
ROK's 'Suppression' of Student Struggle Viewed *[KCNA]* 23

Newspaper Decries Treatment of ROK Dissident *[KCNA]* 23
South's 'Industrial Peace' Policies Assailed *[KCNA]* 24
1936 Nanhutou Meeting Celebrated in Dailies *[KCNA]* 24
Appeal to Workers Adopted at National Meeting *[KCNA]* 25
Red Flag Movement Reports Daily 'Successes' *[KCNA]* 26
Electronic, Automation Industry Efforts Urged *[Pyongyang Radio]* 26
Correction to 'Statement' on U.S. Pullout 28

South Korea

Reportage Continues on Fourth Tunnel in DMZ 28
North Korea Seals Tunnel *[TONG-A ILBO 6 Mar]* 28
Joint Team Blocking Tunnel *[THE KOREA TIMES 7 Mar]* 29
Discovery To Affect Dialogue *[TONG-A ILBO 5 Mar]* 29
'Official Source' Cited on North Succession *[YONHAP]* 29
North Renews Call for Tripartite Arms Talks *[THE KOREA HERALD 7 Mar]* 30
Jiang's Visit To Reaffirm Ties With North *[THE KOREA HERALD 7 Mar]* 30
North-South Trade Volume To Rise Steadily *[YONHAP]* 30
Government To Simplify Exchange Procedures *[HANGUK ILBO 20 Feb]* 30
Bar Association Seeks Permission for Contacts *[YONHAP]* 31
Medicine Group Seeks To Invite North Scientists *[YONHAP]* 31
North Sports Figure To Meet Brother From South *[YONHAP]* 31
Northern Reporter Cited on Asiad Participation *[HANGUK ILBO 5 Mar]* 31
Seoul To Seek Joint Ventures With Pyongyang *[YONHAP]* 32
Proposed Communications Pact With North Drafted *[YONHAP]* 32
Prospects for North-South Dialogue Assessed *[HANGUK ILBO 10 Feb]* 32
North-South Contacts 'Should' Be Open to Public *[TONG-A ILBO 2 Mar]* 35
Patience Needed To 'Ignite' Reforms in North *[THE KOREA TIMES 6 Mar]* 35
Debate Over Concrete Wall in Context of Detente *[HANGYORE SINMUN 15 Feb]* 36
Prevention of North-South Arms Race Urged *[HANGYORE SINMUN 27 Feb]* 37
Trade With East Bloc Increases 15 Percent *[THE KOREA HERALD 6 Mar]* 37
Productivity of State-Run Companies Reported *[YONHAP]* 38
Government Refuses To Recognize May Day *[YONHAP]* 38
Chong's Bid for Assembly Seat 'Challenge' to No *[THE KOREA TIMES 7 Mar]* 38
Reported Attacks on Offices, Institutions *[THE KOREA HERALD 7 Mar]* 39
'Operational Control' Transfer To Be Considered *[YONHAP]* 39
U.S. College To Participate in Korsat Project *[YONHAP]* 40

SOUTHEAST ASIA

Brunei, Malaysia & Singapore

Malaysia

Further Reportage on 'Arafat's Three-Day Visit 41
'Arafat on 'Zionist Regime' *[Kuala Lumpur TV]* 41
King Supports West Asia Peace Talks *[Kuala Lumpur International]* 41
'Arafat Departs 7 Mar *[BERNAMA]* 41
Singapore Deputy Premier Arrives for Visit *[Kuala Lumpur International]* 42
Calls on Mahathir *[Singapore Radio]* 42
Visiting Fijian Minister Views Trade Expansion *[BERNAMA]* 42

Cambodia

Radio Reports Forces' Recapturing of Svay Chek *[Phnom Penh Radio]* 42
KPNLF Fears Vietnamese Attack at Thmar Puok *[AFP]* 42
Sihanouk Says Only Thailand Can Help Cambodia *[BANGKOK POST 6 Mar]* 43
AFP Says Japan Renews Support for Sihanouk 44
'Text' of Khieu Samphan Speech in Jakarta *[Radio VONADK]* 45

Laos

Editorial Views Southeast Asia Peace Proposal *[KPL]* 48
Comparison of Kaysone Phomvihan Speech to SPA 49

Philippines

Savings Diversion Suggested To Cover 'Shortfall' *[THE MANILA CHRONCLE 22 Feb]* 50
U.S. Rebuked for Failing To Pay $96 Million *[PHILIPPINE DAILY GLOBE 7 Mar]* 51
Editorial on Expanding Ties With Europe, Asia *[PHILIPPINE DAILY INQUIRER 5 Mar]* 51
Aquino Reportedly Favors Stronger Presidency *[THE MANILA CHRONICLE 3 Mar]* 52
High Court Stops Police Action in Metro Manila *[Manila Radio]* 52
Laurel, Cojuangco Consolidating Political Forces *[Manila Radio]* 52
Reportage on Aguinaldo Situation Continues 53
Troops Hunting Aguinaldo Ambushed *[AFP]* 53
NPA Said To Join Hunt *[Manila Radio]* 53
Aquino Wants Aguinaldo 'Alive' *[Manila Radio]* 53
Co-Accused Brawner Surrenders *[Manila Radio]* 54
Aguinaldo Sends Surrender Feeler *[Manila Radio]* 54
Ramos Rejects Surrender Condition *[Manila Radio]* 54
Suspected Hideout Attacked *[Manila Radio]* 54
Defense Probes RAM Involvement *[Manila Radio]* 54
Reevaluation of CAFGU's Urged *[THE MANILA CHRONICLE 7 Mar]* 55
Further Developments in Enrile Case Reported 56
Supreme Court Orders Release *[TOKYO KYODO]* 56
Editorial Welcomes Court Decision *[PHILIPPINE DAILY INQUIRER 7 Mar]* 56
Enrile Resumes Duties as Senator *[Quezon City Radio]* 57
Another Suspect in December Coup Arrested *[Baguio City Radio]* 57
'200' Rebels Attack Ifugao's Provincial Command *[THE MANILA CHRONICLE 3 Mar]* 57
Military Chief Denies Report *[Quezon City Radio]* 57
Rebel Leaders Said To Solicit Funds for Coup *[THE MANILA CHRONICLE 17 Feb]* 58
Rebels Said Trafficking Drugs for Funds *[MALAYA 5 Mar]* 58
Rebel Claims Foreign Aid to Communist Movement *[MANILA BULLETIN 17 Feb]* 58
Leftist Group Calls for End to Poverty *[PHILIPPINE DAILY INQUIRER 19 Feb]* 59
Anti-Communist Offensive Launched in Mindoro *[MANILA BULLETIN 5 Mar]* 59
'Suspected' Communists Kill Intelligence Agent *[PHILIPPINE DAILY INQUIRER 5 Mar]* 59
Aquino Certifies Bill Delaying Cordillera Voting *[Manila Radio]* 60
Senate Approves Postponement *[Manila Radio]* 60
House Approves Postponement *[Manila Radio]* 60
$709 Million Loan Agreement Signed 28 Feb *[Quezon City Radio]* 60

Thailand

PRC Defense Minister Meets Chatchai, Chawalit 60
Meets With Chawalit 5 Mar *[THAI RAT 6 Mar]* 60
Holds Talks With Chatchai *[Bangkok Radio]* 61
Statement Issued on Talks *[Bangkok Radio]* 61
Government To Close Cambodian Refugee Camps 61
Chatchai Calls for Camp Closure *[BANGKOK POST 7 Mar]* 61
Spokesman Announces Decision *[Bangkok Radio]* 62
Chatchai Orders Repatriation Plan *[THE NATION 7 Mar]* 62
Chatchai on Hosting New Round of Cambodian Talks *[BANGKOK POST 7 Mar]* 63
Sitthi Speaks on Asia-Pacific Cooperation *[THE NATION 3 Mar]* 63
Villagers Say Burmese Compensation Inadequate *[THE NATION 24 Feb]* 65
Chatchai Holds 'Private Talks' With Chawalit *[THE NATION 6 Mar]* 65
State Enterprise Unions To Join Study Panel *[THE NATION 1 Mar]* 66

Vietnam

Nguyen Van Linh Receives USSR's Gusev 6 Mar *[Hanoi Radio]* 67
Tran Xuan Bach Article Discusses Renovation *[TAP CHI CONG SAN Jan]* 67

Further Discussions Held on Draft Platform 71
Con Dao Youths Meet *[Hanoi Radio]* 71
Ho Chi Minh City Meeting *[VNA]* 71
Nguyen Quyet Article Discusses People's Army *[QUAN DOI NHAN DAN 21 Dec]* 72
Foreign Journalist Views New 'Achievements' *[VNA]* 74
Thai Army Commander Receives Vietnamese Envoy *[VNA]* 75

Security Council Five To Reconvene on Cambodia

AU0703130890 Paris AFP in English 1236 GMT 7 Mar 90

[Text] Paris, March 7 (AFP)—Officials representing the five permanent members of the United Nations Security Council will hold their third meeting on Cambodia in Paris next Monday and Tuesday, the French Foreign Ministry announced Wednesday. The deputy foreign ministers of China and the Soviet Union and heads of departments from the British, French and U.S. foreign services met in Paris in mid-January and in New York a month later to discuss the role of the United Nations in resolving the Cambodian conflict.

A French Foreign Ministry spokesman said Wednesday that France, co-chairman of the international conference on Cambodia, hoped that a U.N. representative would attend next week's deliberations. At their first meeting, the representatives of the five countries agreed that the United Nations should play "an enhanced role" in the administration of Cambodia during the preparations for free elections. But the warring Cambodian factions still have failed to agree on how to share power in the transition to an elected government.

'Text' of Phoun Sipaseut Speech in Jakarta

BK0403123390 Vientiane Domestic Service in Lao 0500 GMT 3 Mar 90

["Text" of speech by Phoun Sipaseut, Council of Ministers vice-chairman, foreign affairs minister, and head of the Lao People's Democratic Republic delegation, at the informal meeting on Cambodia in Jakarta; date not given—read by announcer]

[Text] On behalf of the Lao People's Democratic Republic delegation, I would like to convey sincere greetings to His Excellency Ali Alatas, Indonesian foreign minister, and to the Indonesian Government for exerting active efforts in organizing this informal meeting on the Cambodia issue—a meeting which reflects another joint effort and the political perseverance of the various Southeast Asian countries and other countries seeking a means to settle the regional problem. I am convinced that with the rich lessons of JIM-1 and JIM-2 [first and second Jakarta informal meetings] and of the Paris international conference, our meeting on this occasion will be full of success as expected.

I would like to express salutations to His Excellency Roland Dumas, French foreign minister and cochairman of the Paris conference on Cambodia, for striving to contribute to the realization of our meeting on this occasion. I extend greetings to His Excellency Gareth Evans, Australian minister of foreign affairs and trade, for presenting a significant proposal on 24 November 1989, a proposal which has paved the way for a breakthrough in the stalemate leading to the achievement of a comprehensive settlement of the Cambodian problem through political means. I extend a welcome to the State of Cambodia's government delegation, led by His Excellency Hun Sen, Council of Ministers chairman and foreign affairs minister, and express sincere support for its creative, well-intentioned proposals as well as the proposal advanced after the recent meeting in Bangkok between His Excellency Hun Sen and Prince Norodom Sihanouk. I would like to express salutations to His Excellency Ahmad, special envoy of the UN secretary general, for attending our meeting on this occasion.

Cochairmen: This informal meeting on Cambodia is seen as a political platform to advance the Paris international conference, which achieved a number of significant results beneficial to settlement of the Cambodian problem. For example, the conference clearly noted points on which agreement could be reached and points on which differences in views remained. Since the temporary adjournment of the Paris international conference, the situation has changed significantly, which has encouraged positive and continual foreign activities aimed at comprehensively settling the Cambodian problem at an early date. The outstanding event, which drew world attention, was the completion of the total withdrawal of Vietnamese volunteer troops from Cambodia five months ago. Broad world public opinion has acknowledged and hailed the good intentions of the State of Cambodia's Government and the SRV Government, which have settled one of the two key problems at JIM-1 and JIM-2. The remaining problem is prevention of the genocidal Pol Pot regime from returning to power in Cambodia.

During the past months, the various Cambodian resistance forces, particularly the Khmer Rouge, have taken advantage of the total withdrawal of Vietnamese troops, have repeatedly launched military attacks, and have waged an internal war in hopes of returning to power in Cambodia. However, the situation in Cambodia has developed in a direction opposite to their ill intentions. The Cambodian people have resolutely defended their sovereignty, territorial integrity, and peaceful life with their own strength. The roles and prestige of the State of Cambodia's Government have been raised every day to an ever higher level in the international arena. Many countries have shown sympathy with the State of Cambodia's Government and have established concrete relations with it in political consultations as well as in economic, trade, and other fields. At the same time, many countries have openly denounced the genocidal Pol Pot regime.

The longer the Cambodian resistance factions have prolonged the war and the more losses in lives they have inflicted on the Cambodian people, the more indignant the Cambodian people have become and the more clearly world public opinion has come to understand the danger arising from the genocidal Pol Pot regime, which may return to power in Cambodia. All efforts to legalize the Khmer Rouge, including doing away with the old political situation in Cambodia, will certainly result in increasing the danger. To prevent this danger and to correctly and fairly settle the problem, it is urgently

necessary to implement a cease-fire, end the internal war and military assistance to the various Cambodian factions, and organize general elections in a free, fair, and democratic manner in order to guarantee implementation of the Cambodian people's right to self-determination in building Cambodia into a peaceful, independent, neutral, and nonaligned country and to contribute to turning Southeast Asia into a region of peace, stability, friendship, and cooperation.

Cochairmen: To fulfill this goal, many countries have put forth creative initiatives, such as the Australian Government proposal already clearly explained by His Excellency Gareth Evans. It is certain that the Australian proposal can be used as the basis for detailed discussions at our meeting on this occasion. The new point in Australia's proposal can lead to a breakthrough in the stalemate of the Paris conference, which resulted from efforts to dissolve the two governments of Cambodia and form a coalition government among the various Cambodian factions before elections.

The true situation requires that the old political situation be preserved; that is to say, the two governments of Cambodia are to be maintained and a provisional UN administration set up during the transitional period. I believe that a provisional UN administration should be composed of neutral countries in equal number and that it make preparations for free, fair, and democratic elections and perform its tasks on the basis of full respect for Cambodia's independence and sovereignty. On this basis, the provisional UN administration should be granted a number of rights and powers by the two governments and by the national supreme assembly in order to perform its duties. A national supreme assembly is tantamount to the maintenance of Cambodia's sovereignty and would serve as a representative of the Cambodian people. It would be composed of representatives from the two governments of Cambodia. In addition, the proposal of His Excellency Chatchai Chunhawan, prime minister of the Kingdom of Thailand, also conforms to reality because it serves as a means to systematically settle the problem prior to achieving a comprehensive political settlement. The Lao Government believes that the proposal should be taken into consideration. Simultaneously, five superpower countries have also made efforts to contribute to politically settling the Cambodian problem.

Cochairmen and distinguished guests: At present, the international community has unanimously agreed that the objective of settling the Cambodian problem is to build Cambodia into a peaceful, independent, neutral, and nonaligned country that maintains friendly relations with all countries, and that this line must be pursued by all future Cambodian governments. To fulfill this purpose, it is necessary for Southeast Asia to be turned into a region of peace, stability, friendship, and cooperation, free from outside interference. On the basis of this spirit and of the 10 principles of the 1955 Bandung conference and the six principles of the 1976 Bali treaty, the Lao People's Democratic Republic proposed the seven principles of peaceful coexistence in Southeast Asia at the 1981 UN General Assembly session as well as at JIM-1 and JIM-2. In this informal meeting, we would like to propose the following five principles for building Southeast Asia into a region of peace, stability, friendship, and cooperation:

1. Respect the independence, sovereignty, territorial integrity, and prestige of all countries.
2. Refrain from interfering in the internal affairs of other countries; do not threaten to use force or resort to force in bilateral relations.
3. Refrain from joining or establishing military alliances with any country, inside or outside the region, with the purpose of opposing each other and opposing countries outside the region; refrain from using other countries' territory and from allowing any country to use territory to oppose other countries.
4. Settle various disagreements and disputes through peaceful means.
5. Promote bilateral or multilateral cooperation in many forms—such as economic, scientific, technical, cultural, information, sports, and other fields—with countries both inside and outside the region—regardless of differences in political and social systems—on the basis of equality and mutual benefit for the prosperity of each country and for progress in the entire region.

I hope that the informal meeting on this occasion will take this proposal into consideration.

Cochairmen: The support of the various parties concerned for the proposal by the Australian minister of foreign affairs and trade, the good intentions of the State of Cambodia's Government to accept a suitable UN role in the transition period, together with our sincere common efforts and political perseverance, serve as a basis and a guarantee for the success of this informal meeting, the success of which will pave the way for a prompt resumption of the Paris international conference.

OECD Panel Ends Two Days of Closed Talks

OW0603151190 Tokyo KYODO in English 1349 GMT 6 Mar 90

[Text] Ito, Shizuoka Pref. March 6 KYODO—An OECD panel ended two days of closed talks Tuesday with an agreement on the need for monetary policies designed to counter inflation rather than economic growth, a source familiar with the meeting said. Senior finance officials and deputy central bankers from 11 leading industrial nations in the 24-member Organization for Economic Cooperation and Development (OECD) also shared the view that the weakening of the yen and the West German mark against the dollar is undesirable for stability in the world economy, the source said.

The source said it was a dominant view among participants in the OECD gathering, known as Working Party No. 3, that a decline in the value of the currencies of the

two nations with external surpluses runs counter to sustained world economic growth and the rectification of trade imbalances. The OECD panel, chaired by Toyoo Gyohten, former Japanese vice finance minister for international affairs and now a senior adviser to the Finance Ministry, is an informal body to exchange views on world economic issues and international monetary problems. The 11 participating countries were the so-called Group of Seven (G-7) nations—the United States, Japan, West Germany, Britain, France, Italy and Canada—plus the Netherlands, Sweden and Switzerland and Belgium.

The source said the participants also discussed recent volatile movements in the world's financial markets and pointed out that shortsighted action to cope with the market turmoil could undermine the credibility of each nation's monetary policy. Regarding the U.S. economy, participants acknowledged that there is little possibility of a recession as the U.S. economy has hit bottom, the source said. As for Asian economies, participants agreed in general that the newly industrializing economies (NIEs) in Asia should open their markets by adjusting the value of their currencies and by taking measures to promote imports, the source said. Participants included Makoto Utsumi, current Japanese vice finance minister for international affairs, and Hans Tietmeyer, deputy governor of the Bundesbank, the West German central bank.

Economic Group Plans To Consider New Members

BK0703044990 Melbourne Overseas Service in English 0300 GMT 7 Mar 90

[Text] The Australian-sponsored Asia-Pacific Economic Cooperation Group [APEC] is meeting today in Singapore to plan its next round of ministerial talks. The gathering of the 12-member nations is the first such meeting since the APEC group was created in Canberra last November. The forthcoming ministerial talks are scheduled to be held early in August following the annual meeting of the foreign ministers of ASEAN—the Association of Southeast Asian Nations.

Radio Australia's Singapore correspondent, Graeme Dobell, says officials of today's talks will be trying to define the trade topics to be dealt with at the August meeting. Our correspondent says the initial round of discussions in Canberra last year called for work on improving data on regional trade and capital flows and an examination of how best to transfer investment and technology. One issue to be considered at today's talks will be a formula which could be used to achieve eventual membership of APEC for China, Hong Kong, and Taiwan. Australia's foreign minister, Senator Gareth Evans, says there is still some caution among the ASEAN nations over the formation of the new group, but he says APEC is evolving slowly and logically.

Japan

Kaifu Wants Tangible Measures for SII Talks

OW0703105390 Tokyo KYODO in English 1025 GMT 7 Mar 90

[Text] Tokyo, March 7 KYODO—Prime Minister Toshiki Kaifu assembled the heads of three ministries on Wednesday to press for concrete measures for the contentious structural impediments talks with the United States. Kaifu called for tangible suggestions for a mid-term report due in April on the ongoing Structural Impediments Initiative (SII) talks, government sources said.

The prime minister returned late Sunday from a two-day session with U.S. President George Bush in Palm Springs, California, promising to make progress in the talks a top cabinet priority.

Foreign Minister Taro Nakayama and Finance Minister Ryutaro Hashimoto joined Ministry of International Trade and Industry (MITI) head Kabun Muto in the session with Kaifu. Chief Cabinet Secretary Misoji Sakamoto, who also attended, is to serve in a coordinating role among the three ministries.

Kaifu said he wanted "each ministry to minutely examine the problems and to move forward in concrete terms," in a brief exchange with reporters after the meeting.

Liberal Democratic Party Secretary General Ichiro Ozawa told a party meeting Wednesday that "Japan would crumble within a day if Japan-U.S. relations were cut off." At party headquarters, Ozawa stressed the importance of U.S.- Japan ties, saying "Japan has been pampered and spoiled in economic terms." He dismissed propositions that the United States would collapse if Japanese technology were withheld as a "dangerous vision."

In the Diet, Kaifu touched on a central issue in the talks, government spending on public works, saying Japan lagged behind other industrialized nations in sewer systems, parks, and other infrastructures for social welfare. Finance Ministry officials have said they are opposed to the U.S. spending requests, which would undermine measures to fine tune the economy. The United States has asked that Japan boost its public spending to 10 percent of its GNP [Gross National Product].

Statements from ministry officials Monday indicated they would postpone any concrete SII proposals till July because of the short time available to coordinate views among the various ministries. A final report on the SII talks is due in July. U.S. negotiators called for greater political leadership in the SII talks after their Japanese counterparts rejected U.S. demands in the late February session.

Kaifu Pledges Economic Reform, Better U.S. Ties

OW0603065390 Tokyo KYODO in English 0558 GMT 6 Mar 90

[Text] Tokyo, March 6 KYODO—Prime Minister Toshiki Kaifu stressed the importance of relations between Japan and the United States on Tuesday, saying that he will make every effort to rectify Japan's economic structure, which the U.S. says aggravates the increasing trade imbalance between the two countries.

Kaifu told a plenary session of the House of Councillors that he will coordinate domestic economic interests in consideration of next month's interim report on the current Japan-U.S. economic structural talks.

Responding to Japan Socialist Party Parliamentarian Misao Akagiri, Kaifu said the government will change the Japanese economic structure—based on trading competitiveness against foreign countries—to improve the standard of living of the Japanese people.

Kaifu said Japan has a 49 billion dollar trade surplus with the United States, but many Japanese are dissatisfied with skyrocketing land prices and the discrepancy in the foreign and domestic prices of goods. Asked whether Japan will scrap the Japan-U.S. Security Treaty in future, Kaifu said the treaty is the pivot of the relations between the two countries. Kaifu said that on the basis of the treaty, Japan will contribute to peace and stabilility in Asia and the Pacific, pointing out the Cambodian civil war and the situation on the Korean peninsula as areas of instability.

Asia will be a thriving economic area in the 21st century, the prime minister said. The free-trading system is a fundamental element to secure economic prosperity in Asia and Japan will do its utmost to promote this, Kaifu said.

The prime minister referred to the 3 percent consumption tax, introduced last April, saying the tax is needed in consideration of the upcoming aged society in Japan. He urged the opposition parties to hold thorough deliberations with the government and the ruling Liberal Democratic Party (LDP) on revised tax bills. The opposition parties won a majority in the upper house in the July 1989 election. The government on Tuesday adopted a set of bills to revise the tax but the opposition parties are planning to introduce bills to scrap it.

Kaifu also told the upper house that Japan will accept as many skilled foreign workers as possible but the country has refused to admit unskilled workers in order to protect Japanese workers.

Replying to LDP questioner Takuji Hirai, Kaifu said Japan will continue efforts to stabilize relations with the Soviet Union, which he said is proceeding with domestic reforms and is introducing a market-oriented economy.

Kaifu also said Japan will maintain self-sufficiency in rice, which is very important for Japanese food security.

Following Kaifu, Foreign Minister Taro Nakayama reiterated that Japan will continue economic aid to the six-member Association of Southeast Asian Nations (ASEAN) at the same level as before to contribute to peace and stability in Asia. The six countries—the Philippines, Malaysia, Brunei, Thailand, Indonesia and Singapore—are reportedly anxious that Japan may reduce the amount of economic aid to them due to its increasing aid to East European countries.

Matsunaga Urges End to Friction With U.S.

OW0603145290 Tokyo KYODO in English 1427 GMT 6 Mar 90

[Text] Tokyo, March 6 KYODO—Japan's former ambassador to the United States Tuesday called on Prime Minister Toshiki Kaifu to display strong leadership in order to quickly settle problems that stem growing trade friction between Japan and the U.S.

Nobuo Matsunaga, a former career diplomat, called for an immediate revamping of Japan's distribution system, a rapid buildup of social capital and swift assurance of fair business practices in order to address the problem of structural barriers to trade and investment. He also urged stronger efforts to open the market for forest products, satellites and supercomputers. Otherwise, the Bush administration will be pressured by Congress into placing sanctions on Japan based on the Super 301 provision of the 1988 Trade Act this spring, Matsunaga warned.

Matsunaga indicated that Japan would eventually be forced to consider open its rice market, and pointed to the need that Japanese rice growers try hard to build up their productivity and cut production costs so that Japanese rice would become competitive on the international market.

Kaifu Says Diet Group May Visit U.S. 'Soon'

OW0703084490 Tokyo KYODO in English 0714 GMT 7 Mar 90

[Text] Tokyo, March 7 KYODO—Prime Minister Toshiki Kaifu said Wednesday several parliamentarians from various parties may visit the United States soon to help smooth over relations.

"It is very meaningful to hold discussions at a wide range of levels," on trade issues, Kaifu told a Diet plenary session.

Kaifu welcomed planned visits by former Prime Minister Noburo Takeshita to the United States later this month and by Japan Socialist Party Chairwoman Takako Doi, a Kaifu aide said.

Takeshita To Meet Bush En Route to Brazil

OW0603115190 Tokyo KYODO in English 0949 GMT 6 Mar 90

[Text] Tokyo, March 6 KYODO—The government has decided to dispatch former Prime Minister Noboru Takeshita as a special envoy to attend the inauguration ceremony of Brazilian President-Elect Fernando Collor de Mello on March 15, Foreign Ministry spokesman Taizo Watanabe said Tuesday. Keizo Obuchi, the chief cabinet secretary in the Takeshita cabinet, will accompany Takeshita.

Collor de Mello, 40, who was elected president last December, will assume office on March 15, succeeding Jose Sarney. Takeshita met with Collor de Mello when he was in Tokyo on a three-day visit in January as a part of a global trip to the United States, the Soviet Union and Europe.

Takeshita will first travel to the United States on March 10 where he is expected to meet with President George Bush and Secretary of State James Baker during a three-day stay, a spokesman at his office said. Takeshita will be meeting U.S. officials as a private politician, not as any sort of government representative, and details of talks have not been decided, his office said.

The visit by Takeshita, who heads the largest faction in the ruling Liberal Democratic Party (LDP), follows a hastily arranged summit meeting over the weekend between Bush and Prime Minister Toshiki Kaifu.

KYODO Cites U.S. Official on Law Changes

OW0703103290 Tokyo KYODO in English 1000 GMT 7 Mar 90

[Text] Tokyo, March 7 KYODO—The United States wants Japan to consider legislative changes in the medium term to successfully conclude ongoing bilateral talks to remove structural barriers to trade this summer as scheduled, a U.S. Government official said here Wednesday. Japan's Antimonopoly Law and the Large-Scale Retail Stores Law, for example, will be required to make such changes in the future, said the official, who declined to be identified.

The two laws were criticized in the Tokyo round of structural talks in late February. Washington has accused Japan of being overprotective toward domestic enterprises through loose management of the laws.

The U.S. has sought tougher action by Japan's Fair Trade Commission to prevent allegedly exclusionary corporate practices under the Antimonopoly Law. It has also urged Japan to consider abolishing a law that restricts the opening of large retail stores. The Japanese Government has so far maintained that it plans to improve ways to manage the laws but any revision or the removal is not considered at present.

The U.S. official said an interim report to be issued by Tokyo and Washington in early April under the Structural Impediments Initiative (SII) talks will likely list certain targets for structural reform. Targets that will require a longtime to reform will be labeled as "blueprints" and those requiring a shorter time will be called "downpayments" in the interim report, the official said. Changes in the Antimonopoly Law and the Retail Law will take some time to reform, according to the official.

A senior official at the Ministry of International Trade and Industry (MITI) said failure by Japan to take "action" under the SII talks will damage Japan's overall relations with the rest of the world.

The official, a key participant in the SII talks, said the Palm Springs summit meeting between U.S. President George Bush and Japan's Prime Minister Toshiki Kaifu last weekend was important because Bush gave Kaifu a chance to prove that Japan is one of the world's political superpowers. Solving nagging trade problems and a successful SII dialogue will be tests of Kaifu's leadership ability. "In view of a growing sense of isolation Japan has now in the world, the ability of Kaifu to take the initiative to solve the trade issues is vital," the official said.

Business Leader Cautions About Law Revision

OW0603122090 Tokyo KYODO in English 1034 GMT 6 Mar 90

[Text] Tokyo, March 6 KYODO—A Japanese business leader cautioned Tuesday against abolition or revision of the Large-Scale Retail Stores Law, which Washington says limits foreign access to Japan's retail market.

"It is not necessary to revise the law, as long as the U.S. demand for greater access to the Japanese market is satisfied," Takashi Ishihara, president of the Japan Association of Corporate Executives, told reporters. He added that the issue should be resolved through improved application of the law, instead of by revising it. He also criticized the government for clumsy implementation of the law. "It is very shameful that in some cases, it takes as many as 10 years to set up shop here," he said.

Ishihara warned that the government cannot reach a decision if it weighs conflicting opinions from all concerned parties. Moreover, he approved of another U.S. request for increased punishment of violators of the Antimonopoly Law.

Kaifu Says Recruit Donations No 'Problem'

OW0603142390 Tokyo KYODO in English 1252 GMT 6 Mar 90

[Text] Tokyo, March 6 KYODO—Prime Minister Toshiki Kaifu moved to clear the reputation of his second cabinet Tuesday from suspicion of illicit involvement with the scandal-tarred Recruit Co. by announcing each member's political donations.

Kaifu leads his cabinet as top recipient, with 14.4 million yen over a five-year period, but he denied allegations published last week in SHUKAN BUNSHUN weekly magazine that he received almost double that amount, or a total of 26.3 million yen. "I received the sum as a normal political contribution before the Recruit problem emerged," Kaifu said in response to a question by Japan Socialist Party Dietman Katsuo Niimura.

Kaifu's new cabinet was ushered in a week ago amid reports in the SHUKAN BUNSHUN that Kaifu failed to report donations he received from Recruit Co., the information conglomerate that played a major role in the downfall of former Prime Minister Noboru Takeshita last year.

Kaifu said he went to great lengths to ensure that politicians implicated in the influence-peddling scandal were not included in his new cabinet.

Kaifu said he asked members of his cabinet to voluntarily report to him any political contributions they had received from Recruit.

The results were as follows:
—Director General of National Land Agency Moriyoshi Sato: 14 million yen.
—Chief Cabinet Secretary Misoji Sakamoto: 8.93 million yen.
—Labor Minister Shunpei Tsukahara: 6.3 million yen.
—Finance Minister Ryutaro Hashimoto: 2.4 million yen.
—Director General of Okinawa and Hokkaido Development Agencies Shigetami Sunada: 2.2 million yen.
—Transport Minister Akira Ono: 600,000 yen.

"In the view of the LDP (Liberal Democratic Party), these political donations are not a problem," Kaifu told a plenary session of the House of Representatives.

Table Shows Strength of Parties in Houses

OW2702091490 Tokyo KYODO in English 0802 GMT 27 Feb 90

[Text] Tokyo, Feb. 27 KYODO—The following table shows the strength of political parties in the Diet as of Tuesday:

House of Representatives	Parties	House of Councillors
285	LDP	109
139	JSP	73
46	Komeito	21
16	JCP	14
14	DSP	10
5	Shimpo/USDP	—
—	Rengo Sangiin	12
—	Sangiin Club	4
—	Zeikinto	3

House of Representatives	Parties	House of Councillors
7	Independents	5
0	Vacancies	1
512	Total	252

(Note: Lower house's speaker and vice speaker became independent.)

Kaifu Says Yen's Latest Fall No Crisis

OW0203034190 Tokyo KYODO in English 0227 GMT 2 Mar 90

[Text] Tokyo, March 2 KYODO—Prime Minister Toshiki Kaifu said Friday he does not see the yen's drop below 150 yen to the U.S. dollar as a crisis, because Japan's economic fundamentals remain solid. "The situation is not such that we are coming to a crisis," Kaifu told reporters. But Kaifu said he will watch developments in the currency market carefully.

Kaifu made the remarks after the dollar climbed above 150 yen in Tokyo currency trading for the first time since last June. The dollar opened at 150.35 yen Friday, up 0.57 yen from Thursday's close in Tokyo.

BOJ Governor: 'No Imminent Need' for Rate Hike

OW2802133290 Tokyo KYODO in English 0932 GMT 28 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno reiterated Wednesday that he sees no imminent need for an early hike in the official discount rate now despite the recent poor performance of the stock market and the sliding value of the yen against the U.S. dollar. The central bank chief told reporters he sees no major changes in Japan's economic fundamentals that would justify the uneasiness in the capital and financial markets.

While describing the nation's economic fundamentals as still "strong," Mieno sought to discount the widespread market speculation that the central bank is likely to tighten credit any time soon after the stock and bond markets regain stability. Mieno said the bank is still closely monitoring the effects on the overall economy of the last raise in its key lending rate.

The discount rate, which the central bank charges on loans to commercial banks, was last raised by half a percentage point December 25 to the present 4.25 percent per annum.

The central bank governor also said the recent accelerated depreciation of the yen is not understandable in view of Japan's solid economic performance. Calling currency movements over the past few days considerably speculative, Mieno reaffirmed that the bank remains firmly resolved to combat the dollar's rise against the yen by taking a determined action in markets in concert with other major industrial countries.

The dollar was still changing hands around the mid-148 yen level in Tokyo dealing Wednesday despite a round of heavy dollar selling by the BOJ in the currency market.

Mieno said the effects of the central bank's three hikes last year in the discount rate are just beginning to be felt. He said it is too early to say what steps the central bank may next take before making a final assessment of the last rate raise.

Mieno also shrugged off a U.S. wire service report Monday that quoted Mieno as saying in an interview that if he finds the measures taken so far are not enough, then he will move onto the next step, strongly hinting at an early hike in the bank's base rate. Mieno denied making such a direct statement and said his remarks were not intended to imply an imminent rate hike by the Bank of Japan.

Asked about Tuesday's reported meeting in London of deputy financial leaders of the Group of Seven (G-7) industrial democracies, Mieno simply said he is not in a position to comment. According to an international financial source, such a get-together by the G-7's deputy finance chiefs was reported to have been held the previous day in London. And market experts said they believe they probably have discussed measures or have assured coordinated efforts for currency stability, a topic considered significant at the moment.

At the press conference, Mieno said he is convinced that coordination among the G-7 nations remains firmly intact and indirectly suggested there is no need for such a meeting. Mieno, meanwhile, termed the stock market still jittery and unstable, and said the bank will keep a cautious eye on future market activity. The Tokyo stock market took a roller-coaster ride Monday and Tuesday in tandem with yen-dollar exchange rate swings in recent days.

After a drop of 7 percent last week, the benchmark 225-stock Nikkei index suffered an additional 4.5 percent plunge Monday, the sharpest decline since the worldwide stock market collapse of October 1987 and the second-biggest single-day loss on the Tokyo Stock Exchange. Tokyo stock prices rebounded sharply Tuesday and Wednesday, drawing support from U.S. and European stock markets, which remained resilient despite a steep fall in the Tokyo market.

In recent days, Mieno and other central bank officials have sought to reassure market participants that the stock market will become stable in accordance with the country's sound economic fundamentals.

Some market participants said bearish sentiment in the market was fueled by a prospect that the central bank will remain cautious about another possible rate hike, apparently keeping its options open. Market analysts still believe the central bank is likely to tighten its grip on credit soon after lingering nervousness about the prospects for stocks subside. Until prevailing uncertainty

over the government bank's interest rate policy is clarified, the analysts said, any rally over the next few days looks short-lived. Some stock traders here said the market in a sense is pleading for a rate hike to break the stalemate.

Mieno also said there would be no grave adverse impact from the recent stock price plunge on domestic economic activity, and he made assurance that the bank would carefully watch market trends. On money market rates, Mieno reiterated that the bank will continue to fine-tune rates in an attempt to stem any overshooting of rates in the interbank and open markets, which are under increasing pressure in the face of the twin declines in stock prices and the yen.

RYUKYU SHIMPO Article on U.S. Bases

OW0203122590 Naha RYUKYU SHIMPO in Japanese 24 Feb 90 Morning Edition p 5

[Text] The United States is stepping up its offensive against Japan as if it had only waited for the general election to be over. One of its actions was a call from U.S. Secretary of Defense Cheney, who was in this country recently, for Japan to increase its share of costs to maintain U.S. forces in Japan; another action was the request for improvements in various areas of Japanese policies concerning Japan-U.S. structural talks.

What most concerns this prefecture, however, is the outcome of Defense Secretary Cheney's meeting with Prime Minister Kaifu and other top leaders of Japan, and the Japan-U.S. defense leaders' talks held on 22 February.

Visiting this prefecture on 20 February before meeting with Prime Minister Kaifu and other people, Secretary of Defense Cheney met with Governor Nishime and heard the governor's request for readjustment of U.S. military bases on Okinawa. U.S. Pacific Commander in Chief Hardisty earlier revealed in a public hearing at the U.S. House Armed Services Committee that negotiations are now underway to seek a solution to problems of U.S. military bases on Okinawa. He admitted that "there are complicated feelings of the prefectural people against the existence of the U.S. forces and their use of bases and training areas."

Judging from this, it is believed that the United States is making considerable progress in finalizing plans on readjusting U.S. forces in Japan, including reducing strength, and that they are secretly consulting with the Japanese side on the plans.

Before coming to Japan, Secretary of Defense Cheney visited South Korea and announced on 15 February a plan to pull out 5,000 U.S. troops from Korea. He also indicated that he intends to cut a total of 7,000 to 9,400 troops from Japan and the Philippines. In view of the fact that shortly after the secretary made the announcement, a ranking Japanese Government official also spoke about the possibility of about 5,000 troops, or about 10 percent, being cut from the forces in Japan, it is apparent that discussions between the Japanese and U.S. Governments are concrete and close to being finalized.

Talks in Progress at the U.S. Pace

It appears, however, that Japan and the United States are not at an equal pace in conducting the talks. Even on the reduction of U.S. forces by 5,000 troops, it is said that the Japanese side had not known about the plan until last autumn and had to confirm information about the plan in haste. It appears that U.S. plans on troop movements are formed as part of its world strategy and out of financial considerations, and that Japan learns about developments only belatedly.

In meetings with Prime Minister Kaifu, Foreign Minister Nakayama, and Defense Agency Director General Matsumoto, Secretary of Defense Cheney called on Japan to increase its share of costs for the upkeep of U.S. forces in Japan. In response, Prime Minister Kaifu and other officials promised active efforts, saying "we would like to make what efforts we can in the future." The U.S. side probably interpreted the top Japanese leaders' expression "what we can" as meaning "the maximum we can."

After making the request, Secretary of Defense Cheney explained the plan for reorganization of U.S. Forces in Japan, and said that (1) he was thinking of making a moderate change, but combat forces will not be reduced, and that (2) he wants to discuss with Japan and other nations concerned details of the reductions. The point was that even though the U.S. expenditures will be reduced, combat capabilities will not.

Apparently, the Foreign Ministry officials and defense authorities were satisfied that there would be no reduction of combat capabilities, and that was why they promised Japan's maximum efforts to take over burdens from the United States.

Regarding the question of bases on Okinawa, Secretary Cheney is reported to have said in the meeting with Defense Agency Director General Matsumoto that he would "make continued efforts toward a solution." Actually it is believed that the United States has already completed a blueprint on base readjustments, and the Japanese Government is aware of the substance of it to a degree. We, the people of this prefecture, would like to be informed of the plan to readjust U.S. forces on Okinawa. As we have pointed out repeatedly in the past, we do not want to fall into the position of finding out about the plan only immediately before its implementation.

Facilitate Drawing Up Plan To Utilize Base Sites

When Secretary Cheney was reported to be planning to visit Japan, we thought there were some specific reasons for it. That was because there are now very rapid developments going on in Eastern European democracy movements. Even in the Soviet Union, which is the common adversary for Japan and the United States

under their security treaty, there have been rapid changes as a result of perestroyka; in fact, there has been a major change in the state of the Cold War that has lasted some 40 years since the end of World War II.

However, the plan presented by Cheney was something of the nature that promises the reduction of about 5,000 troops over the period of the next three years while not lowering combat capabilities. If we speak based only on what has been made public, our feeling is that our hope has been dashed.

We cannot help but think that Japan probably should demand that the United States do more. To be sure, Japan is under the nuclear umbrella of the United States. However, if one says that Japan's policies on security and defense also should be under the umbrella of the United States, we must say that it is a serious matter for Japan as an independent nation.

It is regrettable that Secretary Cheney did not bring a definite plan regarding U.S. military bases on Okinawa. However, was there any special meaning in the fact that he came to visit this prefecture before going to Tokyo? Was it to confirm in person a plan to readjust the bases on Okinawa? If so, we welcome it. However, if not reducing the functions of the bases is also the precondition for the readjustment, then it is beyond our understanding.

Japan and the United States will officially begin discussions on readjusting the military bases in Japan. While we will watch the progress of government negotiations, we urge the prefectural government to begin without delay to study how the base sites should be used.

Right now the plan appears to be for only a "moderate change (readjustment)," but the international situation is changing so fast that it is, therefore, thinkable that the readjustment will proceed more quickly. If studies start at that stage, it will be too late and haste will follow.

The prefectural government must step up its actions to call for readjustment of military bases on Okinawa; on the other hand, it must seriously tackle the work of preparing a plan to make the best use of the base sites.

Official Says Public Influences Ties With USSR

OW0703120390 Tokyo KYODO in English 1052 GMT 7 Mar 90

[Text] Tokyo, March 7 KYODO—Japan and the Soviet Union should promote more personnel exchanges in line with a trend in which public opinion is playing greater role in international relations, a top Japanese Foreign Ministry official said Wednesday. Forms of dialogue with the Soviets will change in the future because Soviet leader Mikhail Gorbachev is soon expected to become the first democratically-elected president, said the official, who asked for anonymity. "Gorbachev is a man who has the same political sense (as those in the West)" the official said.

Another senior ministry official later acknowledged that as a result of glasnost, Soviet foreign policy is being influenced more by public opinion. Human exchanges are necessary so that more Soviet people can be exposed to what is happening in Japan. Japan in turn could help restructure the Soviet economy by providing technical know-how, the official said. Soviet foreign policy toward Japan in the long run will be influenced by people who have seen various aspects of Japan, he added. But the official noted that such an increase in personal exchanges has already been considered within the current framework of Japan's Soviet policy.

Soviet officials have recently begun to emphasize the need to comply with public opinion in the face of persistent Japanese demands for the return of four northern islands seized after World War II.

Mongolian Premier Departs for Home After Visit

OW0403043090 Tokyo KYODO in English 0356 GMT 4 Mar 90

[Text] Osaka, March 4 KYODO—Mongolian Premier Dumaagiyn Sodnom left for home from Osaka Airport Sunday concluding a six-day visit to Japan.

Sodnom, who was the highest Mongolian official ever to visit Japan, was received in audience with Emperor Akihito on Wednesday and had talks with Prime Minister Toshiki Kaifu on Thursday.

Lawyers Oppose Extradition of PRC Hijacker

OW0203153990 Tokyo KYODO in English 1158 GMT 2 Mar 90

[Text] Tokyo, March 2 KYODO—A group of five Japanese attorneys for Chinese hijacker Zhang Zhenhai said Friday they will appeal the disqualification of Zhang from refugee status and called for a reconsideration of his extradition to China. The attorneys said Zhang committed hijacking as a last resort to escape political persecution by the Chinese authorities because he had "actively participated" in the pro-democracy movement in Tiananmen Square which was crushed by the military last June 4.

Zhang, 36, has been in detention since December 16 when he allegedly hijacked an Air China airliner as it was heading from Beijing to a transit stop in Shanghai. It was bound for New York via San Francisco.

Zhang was a commander of the 350-member ad hoc "workers' guard," which was voluntarily organized by workers from all parts of China, and resisted tanks rolling into the square on June 3 by throwing bricks and using steel pipes against soldiers, the lawyers said. The attorneys, noting their "voluntary" action to defend Zhang is supported by their legal peers, said several Chinese who are currently outside China are available to testify to Zhang's involvement in the pro-democracy activities if a formal trial is held.

Zhang, a manager of a textile machinery factory, was "on the run, changing addresses" after the massacre and was arrested for 25 days when he returned home in October following two failed attempts to escape China, the lawyers said. "He was jabbed with a one-foot electric high-voltage prod and we observed that there is a scar on his right wrist from the prod," they added.

The Chinese side says Zhang was arrested on embezzlement charges and was free on bail when he committed the hijacking. But the lawyers said Zhang was under constant surveillance by the authorities and he suspected his bail was aimed at tracking down people with whom he had contact.

The Tokyo High Court, upon request from the Tokyo High Public Prosecutors Office, must decide within two months from February 23 whether to extradite Zhang to China.

When asked about the case at a separate news briefing the same day, Foreign Ministry spokesman Taizo Watanabe said, "He (Zhang) should be punished in accordance with the law" because "he has violated the law relating to hijacking," and "the state where that sort of judgment should be given is to be China." "Of course, it's up to the court (to determine whether Japan could prosecute Zhang under Japanese law), so if the court reverses that decision, we should follow that decision," Watanabe said, adding, "but at this moment, we have made the decision that person would be punished in China."

Keidanren: Liberalization Would Lower Prices

OW0703104090 Tokyo KYODO in English 0918 GMT 7 Mar 90

[Text] Tokyo, March 7 KYODO—Japan's consumer prices will drop about 6 percent if farm product imports are liberalized, the distribution system simplified, and the petroleum tax cut, a report compiled by the Japan Federation of Economic Organizations (Keidanren) said Wednesday. These three measures, combined would cause food prices to fall by 17.5 percent and consumer prices by 5.94 percent, the report said. The report is based on calculations conducted by Nomura Research Institute.

The huge gap between prices on the domestic market and those on overseas markets—one focus of the ongoing trade talks with the United States—will shrink sharply, the report said. Scrapping import curbs on farm products will cut domestic food prices by 11.69 percent and consumer prices by 2.1 percent, according to the calculations.

Simplyfying the labyrinthine distribution system, which will result in narrowed commercial profit margins similar to those in the U.S., would cause an additonal 3.44 percent fall in consumer prices. And lowering the retail prices of petroleum to the level of other oil products through tax cuts will push down consumer prices another 0.35 percent, according to the report.

All such price declines will decrease by two-thirds the gap between food prices in Tokyo and New York, it said, if coupled with the price-depressing effects of intensified competition due to an increase in imports and considerably lower overall consumer prices, the report said.

In order to narrow the gap between domestic and overseas prices, the report recommended the Government to ease import restrictions and relax the law restricting the operations of large-scale retail stores. Also recommended was lowering electricity and gas fees and bus and taxi fares. The report also urged the Government to review land and housing taxes with a view toward possibly lowering land prices.

Government Report Urges Breakup of NTT

OW0303083490 Tokyo KYODO in English 0843 GMT 2 Mar 90

[Text] Tokyo, March 2 KYODO—Nippon Telegraph and Telephone Corp. (NTT) should be split into three entities—one long-distance, one local-service, and one mobile communications company—says a report released Friday by an advisory panel to the Posts and Telecommunications Ministry. The report, prepared by the Telecommunications Council, said the NTT's virtual monopoly of Japan's telecommunications market is hampering fair competition as well as efficient management of the firm.

It proposed the long-distance service should be spun off from NTT by fiscal 1995, when the ongoing project to digitalize its telecommunications network will have been completed. The mobile communications business, such as the cellular phone service and pocket bell service, should also be split off from NTT in the next two years to become a completely private company, the report said.

While the new local-service company, which will also inherit NTT's research and development facilities, will remain under government regulations, the other two entities will be freed from all restrictions imposed by the law that oversees NTT's management, it said.

With regard to ways to protect the rights of NTT's current shareholders, the report recommended that the new long-distance-call company should be established through NTT's investment in kind, and shares of the firm allocated free to the current shareholders.

The report resulted from two years of discussions by the council, which last October released a preliminary report on the issue. In the October report, the council proposed three options for dividing up NTT. The other two options were dividing NTT into one long-distance company and 11 local-service companies, or breaking it up

into several regional firms. The report is also a follow-through of the provision of the 1985 NTT privatization law specifying that the NTT structure be reviewed in five years.

The government and the ruling Liberal Democratic Party (LDP) are expected to decide on the fate of the telecommunication giant by the end of March. The road to breaking up NTT, however, will be bumpy, with both the company's management and labor union being strongly against the idea, industry sources said. There are also voices in business circles and the government that call for a cautious stance toward the issue. The Economic Planning Agency and the Ministry of International Trade and Industry have made it clear they opposed any "rash" decisions on the matter. And the powerful Federation of Economic Organizations (Keidanren) has called for a three-year delay in making any decisions.

The government will also face strong oppositions from the Japan Socialist Party, which supports the NTT's labor union, the sources said. Ramming through a bill to break up the NTT will be quite difficult as the LDP has lost its majority in the upper house, they said.

But the Posts and Telecommunications Ministry is determined to go ahead with the breakup. A ministry official said, "Dividing NTT will not necessarily require changing the law." The ministry is pushing for the breakup to stimulate competition in the telecommunications market, ministry sources said.

Since NTT was privatized and the market freed from its monopoly in 1985, about 50 newcomers have begun competing with NTT in such fields as long-distance and local services, circuit leasing, and cellular phone services. But the ministry believes that NTT, with a work force of 270,000 and 6.5 trillion yen in annual sales, is still too big and dominant for its rivals to have a fair chance of competing, the sources said. Even if the proposed division is carried out, the local-service company will remain dominant, with its sales expected to be some 6 trillion yen in 1995. Even the smaller long-distance service company is projected to earn 430 billion yen on sales of 1.2 trillion yen in 1995. The Telecommunications Council is well aware of that, and recommended that discussion be continued as to whether the proposed local-service company should be further broken up, the sources said.

Foreign Share in Chip Market Hits Record High

OW0503145790 Tokyo KYODO in English 1207 GMT 5 Mar 90

[Text] Tokyo, March 5 KYODO—The share of foreign-made computer chips in the Japanese market rose for the fourth consecutive quarter to hit a record 12.9 percent during the three-month period that ended December 31, the Ministry of International Trade and Industry (MITI) said Monday. "The figure reflects the fact that Japanese companies' continued efforts to expand their imports of foreign chips are producing results," said a MITI official.

The Japanese Government is concerned that its chip dispute with the United States might flare up again as a bilateral semiconductor trade accord reached in 1986 will expire next year.

As if underscoring such concern, President George Bush touched on the semiconductor issue during his meeting with Prime Minister Toshiki Kaifu in Palm Springs, California, last week.

MITI is expecting the new statistics to serve as good material with which to impress the U.S. Congress and semiconductor industry. The share of foreign chips in the Japanese market has been on a steady rise since the Japan-U.S. chip pact was reached in 1986, when it was 8.6 percent. The value of Japan's chip imports jumped 2.3-fold from 38.6 billion yen in 1986 to 88.0 billion yen last year.

MITI has been trying to persuade major Japanese chip users such as home electric appliance makers and auto manufacturers to use more imported chips. The ministry has also been encouraging joint chip development projects in which U.S. makers are involved from the design phase. In the same vein, the Japanese and U.S. chip industries agreed last November to develop special chips for high-definition televisions (HDTVS) that offer images of motion picture quality.

Nation Achieving Dominance in Memory Chip Market

OW0603001290 Tokyo KYODO in English 1051 GMT 5 Mar 90

[By Mitsuru Mabuchi]

[Text] Tokyo, March 5 KYODO—While U.S. chip makers are still smarting from the collapse of U.S. Memories Inc., a let's-join-forces-to-fight-against-Japan scheme, Japan's semiconductor powerhouse is steadily consolidating its dominance in the world memory chip market. Japanese makers believe they are edging ahead of their U.S. and European rivals in the race to develop technology regarded as crucial for producing next-generation chips with over 100 megabits of memory.

Chip makers have already started mass producing 4-megabit dynamic random access memories (DRAMs), and some companies, including International Business Machines Corp. (IBM), Texas Instruments, Toshiba Corp., and Hitachi Ltd., are close to commercial-base production of 16-megabit chips.

Now the focus of research and development efforts in the industry is shifting to 64-megabit memory chips, which carry four times more information than a 16-million-bit chip and can store the equivalent of about 6,400 pages of double-spaced typewritten text. The industry is even training its sights on giga-scale integration, in which a billion transistors will be jammed on a stamp-sized semiconductor chip. Manufacturing such super-memory chips will require advances that may push chip-making technology beyond the realm of ordinary lights.

At present, photo-lithography using ultraviolet light is mainly used to fabricate fine structures of chips. But further scaling down of the geometrics is limited by the wave length of regular light, which will be too fuzzy to etch the sub-micron circuit line for such a densely packed structure as a 64-megabit chip. So chip makers worldwide are struggling to develop a new etching technology using shorter-wavelength X-rays.

Currently, the most promising source for X-rays best suited to chip etching, which should have wavelengths of around one billionth of a meter, is electromagnetic radiation called synchrotron orbital radiation (SOR). SOR is a certain spectrum of light engendered when electrons accelerated close to the speed of light are bent by a magnetic field. It contains a wide continuous range of wavelengths from soft X-rays to visible light.

Japanese makers believe they are leaving most U.S. and European competitors in limbo in the race to develop this esoteric technology for X-ray lithography. "Japan is undoubtedly head and shoulders above its rivals in SOR research," contends Toyoki Kitayama, a senior researcher at Nippon Telegraph and Telephone Corp.'s (NTT) LSI laboratories. "I don't see how U.S. makers believe they can survive with their current paltry spending on X-ray lithography devices," he said. NTT completed last year the world's first compact SOR storage ring using superconducting magnets to bend electrons. Using superconducting magnets is vital for making SOR rings smaller and suitable for commercial use.

Eijiro Toyota, a chief researcher at Sumitomo Heavy Industries' SOR project team, also echoes Japanese makers' growing confidence. "Japan is far ahead of the U.S. or Europe in applying SOR to chip production," he argues. Sumitomo announced last December it has made the world's smallest SOR machine, equipped with only one superconducting magnet rather than two or four as usual.

IBM has apparently woken to the dire scenario in the SOR development race. It launched last year a 500 million dollar project to develop X-ray lithography technology, which also involves Motorola Corp. Big Blue also announced a joint research venture with Siemens of West Germany to develop a 64-megabit memory chip. But tremendously large costs involved in both research and actual manufacture of 64-megabit chips are making most U.S. and European makers think twice before plunging into SOR projects.

Building a production line for 64-megabit chips will cost as much as 1 trillion yen, according to Kazunori Hayashi, who follows Japan's semiconductor industry for Dataquest Japan Ltd. Hence a proliferation of joint ventures.

European semiconductor makers have established a consortium known as Cosy Microtec GMBH, which built in 1989 a synchrotron especially for X-ray lithography in West Germany. But the research work there "is not going well due to expense problems," says Dataquest's Hayashi.

The Japanese have also mounted a 13-company cooperative effort called Sortec Corp.

Japan's lead in the field is clearly demonstrated in number. While there are at least five compact SOR facilities exclusively for X-ray lithography now being developed in Japan, there are only three in the rest of the world, according to Sumitomo.

Japanese makers view IBM as almost the only serious foreign player in SOR research, at least at the moment. "IBM is fighting a lone battle," says NTT's Kitayama. "The other U.S. makers appear to have thrown in the towel," says Sumitomo's Toyota.

But Japanese makers are by no means thrilled by their apparent lead, which is likely to boost their current 80 percent share in the world DRAM market. Rather, they are worried that a further decline in the U.S. share of the chip market could rekindle a bitter bilateral chip dispute.

NEC Signs Chip Accord With AT&T Subsidiary

OW0703085790 Tokyo KYODO in English 0822 GMT 7 Mar 90

[Text] Tokyo, March 7 KYODO—NEC Corp. and AT&T Microelectronics jointly announced Wednesday that they have reached an agreement to cooperate on a wide range of semiconductor products and technologies. NEC Executive Vice President and Director Tomihiro Matsumura said the agreement with AT&T Microelectronics (AT&T-ME) will open a new era in cooperation between the U.S. and Japan.

"Semiconductors cover a wide range of activities but are often referred to as the 'rice' of the industry," he said. "One company cannot survive alone since enormous resources are required."

AT&T Microelectronics President William J. Warwick said the five-year agreement would enhance the company's semiconductor abilities and its capacity to expand its customer and market bases worldwide.

The U.S. chipmaker is the integrated circuit manufacturing arm of American Telephone and Telegraph Co. located in Berkely Heights, New Jersey. Under the five-year ASIC (Applications Specific Integrated Circuit) partnership, AT&T Microelectronics will be licensed to market, design, and produce NEC's gate array products, beginning with its most advanced (complementary metal oxide) semiconductor 6/6a. NEC will receive sophisticated CAD (Computer Aided Design) technology for ASIC from the U.S. semiconductor maker. Future gate arrays and CAD technology developed during the five-year agreement will be exchanged.

Both companies will accelerate the design-in of AT&T Microelectronics' semiconductors into a variety of NEC

products such as communication systems and computers. The U.S. chipmaker will also give manufacturing support for NEC's four-bit microcontrollers.

This agreement follows by just two weeks the U.S. firm's tie-up with Mitsubishi Electric Corp. to design, market, and produce SRAMs (Static Random Access Memory) chips.

Warwick said microelectronics makers are seeking partners today to penetrate markets so as to fill holes in their product line.

Matsumura noted human resources as the biggest problem in the semiconductor industry. Lack of qualified engineers in Japan and abroad make it necessary for two complementary companies to work together to move ahead.

At present, NEC imports 20 percent of its semiconductors from foreign suppliers for use in its electronic and communication products. The mutual agreement could possibly increase NEC's import share to around 23 percent, Matsumura said.

The Ministry of International Trade and Industry (MITI) has recently requested Japanese electronics, computer, and auto manufacturers to increase their share of imported chips for use in domestic products to head off trade tension with the United States over American chipmakers' complaints of lacking access to the Japanese market. The 1986 U.S.-Japan Semiconductor Agreement set a target of 20 percent for U.S. makers to reach in a five year period. Foreign semiconductor makers' share of the Japanese chip market stands currently at 12.9 percent. Warwick said that the 20 percent market share was only a target and not a specified number that must be reached. "Market access is demonstrated by our partnership with companies in Japan. Teaming up with a Japanese firm is just one way to be successful here."

Both companies agreed that they may also cooperate in other areas of semiconductor production, such as DRAMs (Dyanmic Random Access Memories), in the future.

Meanwhile, U.S.-based Intel Corp. and NMB Semiconductor Co., a wholly-owned subsidiary of Minebea Co., have already signed a cooperative chip agreement earlier this year to increase the growing number of U.S.-Japan partnerships.

Matsushita To Open Research Lab to Foreigners

OW0603095490 Tokyo KYODO in English 0839 GMT 6 Mar 90

[Text] Osaka, March 6 KYODO—Matsushita Electric Industrial Co. will establish a new basic science research institute, which will be open to foreign researchers, Matsushita officials said Tuesday. The new lab will embody a new Matsushita research strategy that emphasizes basic science studies, the officials said.

Tentatively named "Human Electronics Laboratories," the lab will house equipment for research in many fields, including telecommunications and biotechnology. The lab will inherit the current basic research division of the firm's central research laboratories in Osaka. Details of the project will be finalized in June, the officials said. Construction is expected to begin early next year, with completion slated for 1992. Eventually, about 300 researchers will conduct research at the institute, which will be built on a 53,000 square-meter site in a research complex being developed south of Kyoto, the officials said.

A senior Matsushita official said research at the new lab will focus on basic studies that support technology, instead of direct technology development. "We would like to make the lab a forum for scientists from around the globe," he added.

Major Firms Said Bullish on Near-Term Outlook

OW0603095690 Tokyo KYODO in English 0801 GMT 6 Mar 90

[Text] Tokyo, March 6 KYODO—Major Japanese corporations remain bullish on their near-term business outlook, but are less optimistic about prospects in the longer term, the Bank of Japan said in a report Tuesday. The central bank put the business condition index for major Japanese manufacturers at 52 in its latest survey, covering February, down from 53 in the last such poll in November.

Despite a 1-point decline in the business sentiment gauge, central bank officials dismissed the view that the latest quarterly survey indicates a decline in business activity in the near future. The officials also noted that the country's economy has neither reached a peak nor shown signs of overheating, as far as the findings are concerned, with the domestic demand-led economic expansion continuing for the 40th consecutive month.

The business sentiment index of major nonmanufacturers stood at 49 in the latest survey, known as "tankan" (short-term economic survey of enterprises in Japan). The figure compares with a record 52 in the previous survey, but it shows nonmanufacturers also remain optimistic about their short-term business outlook.

Until the previous survey in November, business expectations in the service-providing sector continued setting a new record for the fourth straight quarter at 52, the bank said. The findings are based on the central bank's survey of 7,509 companies nationwide, including 691 major corporations—396 manufacturers and 295 nonmanufacturing concerns—the bank said.

The key component of the survey is the diffusion index, which shows the percentage of firms that predict a positive or negative near-term economic outlook. The officials said the survey found that Japanese companies

generally believe inflationary pressures are still being kept under control despite such a long period of economic growth.

The survey also found product prices still show a relatively stable trend, reflecting sagging prices of some basic materials in overseas markets. But purchase prices remain on an uptrend in the wake of the yen's persistent weakness against the U.S. dollar, higher crude oil prices, and generally rising materials prices overseas, the bank said.

Japanese companies in general have yet to alter their policy on pricing to take account of prospects that the yen will not depreciate further against the U.S. currency, it said. This does not mean the central bank is less concerned about inflation, the officials said, adding that it will keep careful watch on sudden changes in the currency rate outlook, given the recent accelerated rise of the dollar.

The central bank officials, including the bank's governor, Yasushi Mieno, have repeatedly indicated the bank is concerned that a faltering yen could force a change in Japanese companies' cautious price-setting policy. The officials, who indicated the bank is still keeping an open mind on whether to raise the official discount rate, said the potential danger of domestic inflation remains high.

Market participants as well as analysts and economists widely believe the Japanese central bank, frustrated by the yen's prolonged weakness, is set to raise the official discount rate, which it charges on loans to commercial banks, in the near future.

The base lending rate now stands at 4.25 percent per annum, still the lowest among major industrial countries. But the bank is likely to hold off any action on its "policy rate" until after Mieno returns home a week from Thursday from his trip to Europe. He leaves for Europe on Wednesday.

The latest survey also found Japanese companies anticipating a worsening labor shortage in the months ahead, in both the manufacturing and nonmanufacturing sectors.

The bank's index of all industry, forecasts on the future labor supply stood at a negative 40 percent, the worst on record, down from minus 35 percent in the previous poll.

Transport and general machinery firms in the manufacturing sector and construction and other services categories are facing a particular tightening of the labor supply, the bank said.

The index measuring industry's judgment on the supply-demand balance of products, meanwhile, suggested the sense of supply shortage has eased somewhat from the November survey but such sentiment generally remains strong, the bank said.

The quarterly survey also showed that planned capital spending by major manufacturers for the next fiscal year beginning April 1 is estimated to post a 7.5 percent year-on-year increase, slower than an expected 24.9 percent growth for fiscal 1989, which ends on March 31.

Fixed investment plans by nonmanufacturers, excluding electric power and gas firms, also are expected to rise by 5.2 percent in fiscal 1990 from the year-earlier level. This, however, also is down from 10.4 percent growth anticipated for fiscal 1989.

Bank officials said the figures are comparatively high in view of companies' investment projections made at an earlier date ahead of the fiscal 1990 year.

The survey also revealed that the majority of Japanese corporations, including small-and medium-sized concerns, still forecast increased sales and earnings in the coming months, at least through the end of the next fiscal year.

Mongolia

Democratic Union Launches Hunger Strike

LD0703092990 East Berlin ADN International Service in German 0837 GMT 7 Mar 90

[Text] Ulaanbaatar (ADN-Corr)—Ten members of the Coordinating Council of the Mongolian Democratic Union began a hunger strike at noon on Wednesday in the Suche-Bator Square in the capital of the Mongolian People's Republic. The leader of the group, Elbegdorj, told journalists that they intend by their action to obtain a satisfactory answer from the Mongolian People's Revolutionary Party [MPRP] Central Committee Presidium of the People's Great Hural on the demands of four unofficial organizations. They demanded in a joint statement on Sunday that the MPRP convene a special party congress in March to elect a new central committee, and that a provisional people's hural be formed to decide on a new constitution and electoral law.

The MPRP Politburo has called a Central Committee meeting for this coming Monday. According to the Constitution, a special party congress should be announced 15 days in advance. According to reports, Tserendashiyn Namsray, member of the Politburo and secretary of the Central Committee, said this to a delegation of the Democratic Union Coordinating Council at a meeting on Tuesday. An official statement broadcast on the radio suggested that the country's political leadership take the view that only the electors of the country may decide on the dissolution of parliament and the formation of a provisional people's hural. Work is being rapidly carried out on a new constitution, and the People's Great Hural, which is due to meet on 21 March, will discuss bringing forward the parliamentary elections.

MPRP, Presidium Respond to Opposition Demands

OW0703121390 Ulaanbaatar International Service in English 0925 GMT 7 Mar 90

["Text" of Mongolian People's Revolutionary Party Central Committee Politburo statement; date not given]

[Text] The Politburo of the Mongolian People's Revolutionary Party [MPRP] Central Committee has taken the decision to bring nearer the date of the convocation of the eighth plenary meeting of the Central Committee and has slated it on March 12.

The Politburo of the Mongolian People's Revolutionary Party Central Committee and the Presidium of the Great People's Hural of Mongolia have discussed the joint statement presented to the party Central Committee and the Presidium of the Great People's Hural by Mongolian Democratic Association, Social Democratic Movement, New Progressive Union, and the Union of Mongolian Students. The joint statement contained the demand to convene an extraordinary congress of the Mongolian People's Revolutionary Party within March, change the present composition of the party Central Committee, separate party activities from that of state and government bodies, institute within March a provisional People's Hural with equal participation of all political forces.

The joint statement demanded that this provisional People's Hural should adopt a Constitution of the Mongolian People's Republic and the law on elections and then resign after creating new people's state institutions.

The joint statement pointed also that in the course of implementing above-mentioned action no demand must be bound to the country's independence, national solidarity, and the people's security. The authors of the joint statement demanded that an official answer to it be given within March 7 on national radio and TV.

The suggestion to bring nearer the date of the convocation of the party regular congress and to convene an extraordinary party congress have been formulated by party organizations, party members as well. Based on them and in accordance with the party rules, the Politburo of the Mongolian People's Revolutionary Party Central Committee considered the matter and decided to submit it to the plenary meeting of the Mongolian People's Revolutionary Party Central Committee.

In conditions when the Great People's Hural legally exercises its full power, the creation of a provisional People's Hural which would enjoy the right of adopting the country's Constitution and which does not reflect the will of all working people would be (?mere) voluntary suspension of the activity of the supreme legislative body elected by the people and would mean in fact a grave violation of the Constitution. This vital matter of the county's life must be considered only by electors themselves or by the Great People's Hural of Mongolia.

The Presidium of the Great People's Hural of Mongolia reiterated its stand through (?their head) that the work on renewing the Constitution must be speeded up and new structures of supreme legislative bodies created. This matter is to be submitted to the coming session of the Great People's Hural of Mongolia.

The Politburo of the party Central Committee and the Presidium of the Great People's Hural pointed out that while tackling pressing problems all forces must use only political means and assume responsibility for the country's independence, national solidarity, and the security of the nation.

The party Central Committee Poliburo and the Presidium of the Great People's Hural have reiterated their striving to conduct businesslike dialogue with the public organizations and newly founded associations, unions, and movements and to cooperate with them on the basis of mutual understanding.

The Politburo of the party Central Committee and the Presidium of the Great People's Hural heard a report on the meeting between Politburo member and Secretary of the party Central Committee, Deputy Chairman of the Presidum of the Great People's Hural of Mongolia Namsray and representatives of the Mongolian Democratic Association, Social Democratic Movement, New Progressive Union, and the Union of Mongolian Students.

Batmonh Delivers Speech on Informal Movements

OW0603090190 Ulaanbaatar International Service in English 1200 GMT 22 Feb 90

["Gist" of the speech by the Mongolian president and party leader Batmonh carried on national TV and radio on 21 February]

[Text] Describing the current situation in Mongolia, Jambyn Batmonh said that, on the one hand, the process of reconstruction and renewal covers all spheres of social life, and on the other, many more complicated problems are appearing in political, economic, social, and spiritual life.

The last party plenum has outlined in general the content and concept of the revolution (?related) reconstruction in Mongolia. Although the process of reconstruction (?and development) faces certain difficulties, it is no mere slogan and is now entering the period of becoming a creative endeavor, capturing people's minds. The seventh party plenum, held in December 1989, analyzed the achievements and drawbacks occurring in this process and outlined several problems needing solution.

Jambyn Batmonh acknowledged that (?there is delay) in reconstruction of the political system of society. He emphasized the need to (?democratize) the party, develop democracy in state institutions, and build a law-governed state. As a result of the command-administrative and bureaucratic rules which dominated

societal life for many years, democracy had been [words indistinct] in actual fact in this country, and people had no possibility to express freely their views and criticisms, to say nothing of the possibility of developing pluralism of views.

Jambyn Batmonh went on to say that the fifth plenum of the party Central Committee had provided the opportunity for people to express their views in various ways and greatly favor the growth of the political awareness of the population. Then, President Batmonh dwelt on the Mongolian Democratic Association [MDA], an informal organization, which recently had held its constituent congress. He said that from last December onward, a new phenomena has appeared in the country's political life, such as creation of unions and associations, organization of rallies and demonstrations, issuing of leaflets, elaboration of demands to the party and state leadership.

The pioneer movement of this kind was the MDA, which was followed by other movements. As, firstly, they have (?appeared) in accordance with the Constitution and, secondly, they express the will to promote the process of reconstruction, our central (?elective) bodies have granted them maneuver room, meeting their request, said Jambyn Batmonh.

Now, the MDA has its section in towns and in the countryside and, as a result of this, rallies and demonstrations have become more frequent, said President Batmonh. Recently, the Political Bureau of the Mongolian People's Revolutionary Party [MPRP] Central Committee has issued a message to members and alternate members of the party and to the entire people in which the party clearly defined its stand in regard to the MDA. The constituent congress of the MDA adopted its platform and rules and proclaimed the creation of the Mongolian Democratic Party. At the request of the MDA, the event was retranslated by TV and radio.

Then, President Batmonh explained the seven point preliminary stand of the Political Bureau of the MPRP Central Committee in regard to these events.

First: At a period when democracy and pluralism are developing in this country, the creation of such an organization has neither been a sudden event nor a surprise.

Second: What is most important is that the Mongolian public cannot help but take an interest in the platforms and objectives of these unions. We are interested to know whether the parties or unions appear as opposition to the MPRP or whether they just have different positions on some (?occasions) and are ready to maintain businesslike contacts with the MPRP. Judging by the political report presented at the congress of the MDA, the opposition trend seems to prevail.

Third: The congress has (?advanced) a petition to the MPRP Central Committee and Great People's Hural urging the resignation of the party's Central Committee, the Council of Ministers, and dissolution of the Great People's Hural. If need be, an organization can resign, but the resignation of the Central Committee is the competence of the MPRP and that of the Council of Ministers is the competence of the Great People's Hural, said President Batmonh.

Four: They claim that the country has been driven to (?one) dependent on an aligned power and in a disastrous situation. We think that our people are well aware of the fact that the independent Mongolian People's Republic is dependent on no aligned power.

Five: The Political Bureau of the MPRP Central Committee has discussed the matters related to the reform of the party and has taken a position according to which a multiparty system cannot be excluded in the (?fact) program of the party. This was reported in the press, said Jambyn Batmonh.

Six: Jambyn Batmonh said that the party will strictly follow its stand exposed in the message by the Political Bureau to members, alternate members, and the entire people, and he said that the party will have political dialogue with informal organizations and work on the basis of mutual understanding.

Seven: The foundation of parties and organizations has become a reality in Mongolia in the process of democratization and pluralism of views. The MPRP is willing to carry out multilateral dialogue with all these forces for the wellbeing of the people and stability of the country. We must avoid all kinds of moves which would lead to instability and a political crisis. All the misunderstandings and different positions must be soothed through political dialogue, said Jambyn Batmonh. There must not be any separation and division in society. We need, and must keep, national unity. We shall analyze the demands of the MDA, and if there (?is good reasons), we are ready to cooperate with them.

We heard speeches at the MDA's congress that, in case of bloodshed in this country, the only one responsible will be the bureaucratic leadership of the party and state. We think that before blaming each other we should take responsibility to avoid this and carry out a responsible policy. The MPRP's leading role in society can be (?reconstructed) in the light of new thinking and the party will prove this role only through its activities. We are fully confident that the MPRP will succeed in this, said Jambyn Batmonh.

President Batmonh concluded his speech with greetings to the Mongolian people on the occasion of the forthcoming Lunar New Year, the Year of the White Horse.

Premier Sodnom Meets Japanese Emperor, Leaders

OW0403175390 Ulaanbatar International Service in Japanese 1200 GMT 2 Mar 90

[Text] Premier Sodnom of Mongolia is currently visiting Japan. Sodnom, chairman of the Council of Ministers, paid a courtesy call on the Emperor of Japan. He also

met with Prime Minister Kaifu; Sakurauchi, speaker of the House of Representatives; and Tsuchiya, speaker of the House of Councillors. They exchanged views on friendly relations with Mongolia and on common [words indistinct].

Sodnom also met with Saito, the chairman of the Japan Federation of Employers' Associations, and visited the NHK center.

Correction to Rally Demands Presidential Rule

OW0503140090

A rebroadcast by Ulaanbaatar International Service in English at 1200 GMT on 5 March allows for the following clarification of the item headlined "Mass Rally Demands Presidential Rule, Elections" published in the 5 March East Asia DAILY REPORT, page 26:

Column two, paragraph four, sentence two, make read: ...Mongolia is not a raw material appendage of other countries; Mongolia for Mongols; and Mongolia owes to nobody, were also the slogans.... (clarifying passage and changing punctuation)

North Korea

Armed Forces Ministry Issues Tunnel Statement

SK0603130090 Pyongyang Domestic Service in Korean 1100 GMT 6 Mar 90

[Statement by the spokesman for the DPRK Ministry of the People's Armed Forces on 6 March in Pyongyang—read by announcer]

[Text] At present, the danger of a war via a northward invasion is growing with each passing day in our country because of the provocative "Team Spirit-90" joint military exercise of the U.S. imperialists and the South Korean puppets. To counter this, all the Korean people, as well as the men and officers of the People's Army, are assuming full preparedness for combat mobilization, upholding the order of the supreme commander of the Korean People's Army. Peace in our country today is guaranteed and preserved only by our patient efforts.

However, the South Korean puppets, while conspiring with the U.S. imperialists, have recently fabricated a so-called incident of the fourth tunnel and have kicked up wholesale commotions against our Republic, thus rendering the situation of the country more acute. On 3 March, the puppets staged the drama of penetrating a so-called tunnel. High-ranking officers of the U.S. imperialist aggression troops and the senior member of the U.S. side to the Military Armistice Commission participated in this drama, in which the the puppet minister of defense issue a so-called press statement. Following this, they have mobilized propaganda means under their control to arouse an unprecedentedly provocative anti-Republic frenzy, and even traitor No Tae-u has directly joined in.

Like the incidents involving all previous tunnels, the incident of the fourth tunnel, which the U.S. imperialists and the South Korean puppets are talking about, is fictitious and a fabrication that has nothing to do with our Republic. The so-called penetration of the tunnel is nothing but a political burlesque of intrigue, which they faked entirely out of insidious political motives. The DPRK Ministry of the People's Armed Forces strongly denounces the incident, branding the claim of the fourth tunnel—the tunnel which the U.S. imperialists and the South Korean puppets are clamoring about—as yet another anti-North smear campaign. This campaign is designed to redirect the attention of people at home and abroad who support our new formula for peaceful reunification. This campaign also is designed to justify the aggressive, separatist policy of war and confrontation that is maintained by the U.S. imperialists and the South Korean puppets.

Manipulated by the U.S. imperialists, the puppet Ministry of Defense staged the drama of so-called verification or demonstration to grant authenticity to what is termed the fourth tunnel, which is alleged to have been uncovered at this time. Nevertheless, they failed to conceal that it was a fabricated drama filled with inconsistent falsities and contradictions. They have not concretely indicated the location of the fourth tunnel. Also, the site was officially reported to be located in the central eastern front, while the puppet minister announced that it is on the eastern front.

In addition, the puppet Ministry of Defense announced that approximately 50 domestic and foreign reporters observed the spot at which the tunnel was penetrated, while the puppet minister of defense stated that 34 domestic and foreign reporters observed it. Thus, their remarks were contradictory.

Moreover, it was reported that numerous domestic and foreign reporters confirmed the spot, but television failed to broadcast scenes of the penetration of the tunnel and to show domestic and foreign reporters covering the spot. Also, no insulators, supporting beams, or electric wires, which were alleged to have been found in the North's tunnel, were shown to the public.

Is there anything here that can be said to be confirmation and proof?

In a bid to falsely attribute the tunnel to us, the puppet Defense Ministry even said that the slogan Korean reunification [choson tongil] was scribbled in paint on the wall. Nevertheless, the puppet Defense Ministry failed to show the actual writing, and by saying that the scribbling was Korean reunification, which is a term that our people in the northern half of the Republic and the soldiers of our People's Army do not use, it proved all the more clearly that it was a fabricated drama.

If soldiers of our People's Army had written it, they would have written to read: the reunification of the fatherland [choguk tongil]. They would have never written Korean reunification. Raving about it as if it

were some proof only shows that the tunnel is not ours. Those who fabricated this slanderous drama might have thought that they should say Korean reunification to convince the people that it was written by the North; this is because our country is called Korea [choson] in the North and they call it ROK [hanguk].

In particular, the puppets said that the tunnel they found this time was capable of letting 30,000 troops and artillery pieces pass per hour. According to the diagram they made public, the tunnel was dug in the middle of a high mountain. A tunnel dug high in the mountain is useful as a tunnel for defense but it is useless as a tunnel for a blitzkrieg-type surprise attack for a southward invasion, as they claim. If one were to attempt to wage a surprise attack for southward invasion with tens of thousands of troops and artillery passing through the tunnel, one would need a mobile outlet connected to the tunnel. How can one wage such a surprise attack for southward invasion through a tunnel dug in the middle of a rugged mountain? This is easily understandable for anyone who has elementary common sense in military affairs.

The fact that the so-called fourth tunnel is not our tunnel for southward invasion is confirmed by the report that when a puppet army team searched the fourth tunnel on 4 March it could not advance any further because there was water about 40 centimeters deep in the tunnel. The report that says this tunnel was dug not in the seventies but in the eighties also proves it is not ours. It does not make sense that a tunnel filled with water would be used for a surprise attack for southward invasion. If we had dug the tunnel in the eighties for a secret surprise attack for southward invasion, there would not be knee-deep water in it. Moreover, how can a tunnel left to be filled with water be of realistic value for a surprise attack or for a southward invasion?

One should stage a drama that makes sense and fabricate it convincingly. An absurd scenario, which even a child would not believe, with a clumsy performance cannot convince anyone.

The truth will be revealed, no matter how one tries to distort and reverse it. If there is a fourth tunnel, as the South Korean puppets claim, it is a tunnel dug for northward invasion by the U.S. imperialist aggressors and the South Korean puppets, as were the first, second, and third tunnels.

This tunnel -reportedly was found by the joint detection team of the U.S. Army and the puppet army in the area south of the Military Demarcation Line [MDL]—an area where the U.S. imperialist aggressors and the South Korean puppets maintain a warlike vigilance, having built even a concrete wall. What on earth does this tunnel have to do with us?

According to the announcement by the South Korean puppets, they have been carrying out an intensive detection operation in this area since 1978. Last December, they determined that there was a North Korean tunnel because of a sleeper, a picture of which was taken with the endoscope of a drilling machine. Mobilizing a great number of men and a high-performance tunneling machines, they dug a counter-tunnel. If this were true, the sleeper viewed in the endoscope could have been that of a mine pit during the period of the Japanese imperialist rule or that of a subterranean position excavated during the period of the past war. On what grounds do they conclude that they are the sleepers of the North's fourth tunnel? On what grounds did they begin the work of digging a counter shaft, immediately mobilizing such a large amount of manpower and equipment?

Furthermore, the puppet defense minister's press statement said that the reason why the South could not publicly reveal the initial indications of the existence of the fourth tunnel as soon as they were detected was because it might not have been an invasion tunnel of the North but a natural cave. He also said that announcing the discovery before it was verified as a tunnel of the North could have provided the North with an opportunity to overwhelmingly conduct counteroffensives, as in the cases of the first, second, and third tunnels.

This tells us that the puppets mobilized a huge amount of manpower and equipment to dig the countershaft before they had verified that it was a North Korean tunnel. It also shows that they faked the so-called incident of the fourth tunnel as a stopgap measure when their secret digging of, not a countershaft, but a tunnel for northward invasion leaked to the South Korean media.

Judging from all facts, we can see that the South Korean puppets can no longer conceal the fact that, at the instigation of the U.S. imperialists, they began building above ground the concrete wall—a symbol of confrontation and division. Meanwhile, underground they were digging tunnels to attack us as early as the mid-seventies—These people, who are at a loss as to what to do with the aboveground wall, are playing out a drama that shifts the blame for the underground tunnels to our side.

It is a hackneyed trick of the South Korean puppets to commit an incident and shift blame for it onto us. Their so-called theory on the threat of southward invasion is precisely such a trick. Not only have we declared on a number of occasions that we have no intention of a southward invasion, but we have fully shown this in practice on many occasions. In reality, the threat of invasion on the Korean peninsula comes not from the North, but from the South, as confirmed by the "Team Spirit" nuclear war exercise.

It is not a matter of further argument that we could not dig a tunnel for a southward invasion. We have no intention of southward invasion and have not prepared for it. Moreover, we have consistently made efforts only for peace on the Korean peninsula and peaceful reunification there.

It is obvious why, like a thief calling another a thief, the South Korean puppets have kicked up loud anti-Republic rackets this time. It is obvious why they have had their puppet minister of defense rave about the fourth tunnel.

As everyone knows, our new epoch-making formula for peaceful reunification for demolishing the concrete wall built in the area south of the MDL and for realizing free visits and full-scale openness between the North and South to make the nineties a decade of national reunification has aroused active support. It is a formula that has nurtured sympathy among the peace-loving people of the entire world, as well as among all fellow countrymen.

Driven into a defensive position by our reasonable formula of peaceful reunification, the South Korean puppets have been more greatly denounced at home and abroad for extremely aggravating the situation of confrontation and tension between the North and the South by staging the aggressive "Team Spirit-90" joint exercise in collusion with foreign forces.

In particular, they find themselves in an awkward position in which they cannot gloss over the matter any longer with the monosyllabic claim that there is no wall in face of our strong demand and the unanimous demand of the people at home and abroad for pulling down the concrete wall. Along with this, they have tried to cope with crises in the colonial, military, and fascist rule with a political realignment through the merger of three parties according to a scenario of the United States only to increase political crises and social unrest in South Korea. Also, by begging for the permanent occupation of the U.S. imperialist aggressors—an act running counter to the tenor of the present times of seeking independence—they have become a target of protest and denunciation by the South Korean people and the world's people who demand the withdrawal of the U.S. troops.

In this situation, the South Korean puppets are trying to block the influence of our new proposal for peaceful reunification. They are trying to justify their policy of confrontation, war, fascism, and division, and, furthermore, they are attempting to invent a pretext for keeping U.S. troops and reinforcing the military, fascist, and dictatorial rule by fabricating a shocking incident. Nevertheless, the South Korean puppets cannot solve problems with a clumsy burlesque; this will only facilitate their own ruin.

Using the excuse of detecting a so-called tunnel of the North, the U.S. imperialists and the South Korean puppets themselves have made public this time that they have conducted boring work in the DMZ and have dug a counter-tunnel there through their own volition. This is obviously a crude violation of the Korean Armistice Agreement and a very grave provocative and aggressive act.

Furthermore, they have openly clamored this time that they will perpetrate these maneuvers on a larger scale along the entire length of the MDL in the future. This is declaring that they will openly dig underground tunnels for northward invasion in the DMZ along the MDL. We regard this as an intolerable and very grave provocation and view it as serious.

At present, the provocative aggression maneuvers of the U.S. imperialists and the South Korean puppets have reached an extremely reckless stage. The consequences arising from these maneuvers are reaching an unpredictable, dangerous phase. Under these circumstances, we can never look at the situation [satae] with folded arms.

The responsibility for the created situation entirely rests with the U.S. imperialists and the South Korean puppets. Therefore, the only way for defusing tensions prevailing along the MDL is for the U.S. imperialists and the South Korean puppets to immediately stop the provocative anti-Republic smear campaign of groundlessly abusing us.

The U.S. imperialists and the South Korean puppets must frankly admit that like all the previous tunnels, the fourth tunnel, which they have made public this time, is a tunnel they dug for northward invasion. They must apologize to our nation for it, immediately stop the work of digging tunnels, and give assurances that they will never commit such a provocative aggressive maneuver again. If the U.S. imperialists and the South Korean puppets fail to accept this just demand of ours, but continue to commit a brazen smear campaign of abusing us, they will be totally held responsible for all consequences arising from their actions.

The U.S. imperialists and the South Korean puppets must immediately retract the anti-Republic smear campaign, the so-called tunnel incident, stop the aggressive and criminal "Team Spirit-90" joint military exercise without delay, and unconditionally withdraw all aggression forces, including the U.S. troops and nuclear weapons, from South Korea. We will keenly watch the provocative acts of the U.S. imperialists and the South Korean puppets with high revolutionary vigilance.

[Dated] 6 March 1990, Pyongyang

Rally Opposes Joint Maneuvers, Tunnel 'Plot'

SK0703053490 Pyongyang KCNA in English 0520 GMT 7 Mar 90

[Text] Pyongyang March 7 (KCNA)—Meetings took place in Yanggang and North Hwanghae Province on March 6 to denounce the "Team Spirit 90" joint military exercises of the U.S. imperialists and the South Korean puppets.

Loud shouts denouncing the warmaniacs rang out from the meeting places crowded with people of all strata.

Speaking there, representatives of all strata warned that if the U.S. imperialists and the South Korean puppets ignite a war of aggression in defiance of our repeated warnings, the Korean people will certainly take a hundred-fold, a thousand-fold revenge upon the aggressors.

The U.S. imperialists and the South Korean puppet clique have started the provocative "Team Spirit 90" joint military exercises in spite of the strong denunciation and rejection of public opinion at home and abroad, rendering the situation extremely strained and bringing the clouds of a dangerous nuclear war, the speakers said.

They denounced the enemies for launching a vicious anti-DPRK racket to justify their policy of war and confrontation after framing up a new plot called "fourth tunnel."

The speakers stressed that the U.S. imperialists and the South Korean puppets must not run amuck, looking straight at the invincible strength of the Korean people who are united in one mind.

North Outlines Steps for Military Withdrawal

SK0703075590 Pyongyang Domestic Service in Korean 0024 GMT 7 Mar 90

[NODONG SINMUN 7 March commentary: "A Practical Measure Should Be Taken To Withdraw Military Forces"]

[Text] A dangerous situation not to be found in any region in the world prevails on the Korean peninsula today. Not only are there a large number of troops directly confronting each other between the North and the South along the Military Demarcation Line, but in addition there is tension that has been aggravated. Moreover, there is a danger of war that has been increased by the provocative "Team Spirit" joint military exercises of the U.S. imperialists and the South Korean puppets. This arouses great concern among the peace-loving people of the world.

To alleviate tension on the Korean peninsula and guarantee peace there, it is imperative to decisively realize disarmament and, thus, lower the level of military deployment.

The DPRK Foreign Ministry, in a statement issued on 5 March, again clarified our principled stand on disarmament. It declared that if the United States takes measures even for partial troop pullouts—which constitute the practical start of a complete withdrawal of U.S. forces stationed in South Korea—we will welcome them and, correspondingly, we are ready to take further measures necessary for military trust and disarmament between the North and the South. The Foreign Ministry again urged the United States and the South Korean authorites to stop war exercises such as the "Team Spirit-90" exercise. The ministry also urged them to respond without delay to our Republic's proposal for disarmament talks between North and South Korea and the United States.

This is not only another clear expression of the peace-loving stand of our Republic's government, but it also clearly shows once more how sincerely and patiently we have made efforts for peace in Korea.

It has become an accepted practice to solve all disputes in the international arena peacefully, through negotiations. It has become an accepted practice to abolish foreign military bases in the territory of another country, as well as to withdraw foreign forces. Such an atmosphere of disarmament and detente should be created on the Korean peninsula as well.

Our Republic, proceeding from these demands of the times, has acted alone to advance a series of disarmament proposals and peace policies in recent years. Our Republic, which is faithful to the cause of peace, not only has gone so far as to take the positive step of unilaterally reducing 100,000 soldiers of the People's Army, but it also has put forward a proposal for disarmament talks in which North and South Korea and the United States can participate.

However, the U.S. imperialists and the South Korean puppets have rejected our reasonable and realistic disarmament proposals and peace policies at every phase and, instead, have accelerated an arms buildup and preparations for a war of northward invasion. Thus, they have not responded to our disarmament proposal as yet.

Tension has not been alleviated on the Korean peninsula, and accordingly, the danger of war has not been eliminated there as yet. This tension is caused entirely by the U.S. imperialists' occupation of South Korea and their policy of confrontation by force.

The U.S. imperialists' clamoring that we have not taken measures for building trust between the North and the South, that the threat of southward invasion has not been eliminated and the like is a cunning trick designed to deceive and mock public opinion at home and abroad and to justify their occupation of South Korea and their policy of confrontation by force. Realizing disarmament and alleviating military confrontations are the basic requirements and a precondition for preventing the danger of a recurrence of war, and for guaranteeing peace.

Regarding the plan for reducing U.S. forces stationed in South Korea that they have been talking about recently, it is not for detente nor is it related to a complete withdrawal. In fact, the U.S. imperialists have openly clamored that the withdrawal of U.S. forces from South Korea is inconceivable, and that their quality and capability will not be affected by their reduction. This tells us that their reduction plan is a sort of troop realignment show, designed to keep U.S. forces and nuclear weapons in South Korea permanently and to continuously strengthen their combat capability.

If they really want peace on the Korean peninsula, the U.S. imperialists and the South Korean puppets should not kick off such a troop realignment show, but instead they should take practical measures to reduce troop levels in South Korea and to withdraw U.S. forces and nuclear weapons. They should also suspend the "Team Spirit-90" joint military exercise and respond to our disarmament proposal.

NODONG SINMUN Urges U.S. Withdrawal

SK0403085990 Pyongyang KCNA in English 0813 GMT 4 Mar 90

["Whom Are the 'Security Commitments' Intended For?"—KCNA headline]

[Text] Pyongyang March 4 (KCNA)—The U.S. imperialists claim more frequently that the U.S. forces will stay in South Korea for its "security" as long as there is "threat from the North." NODONG SINMUN today brands this as a crafty ruse to justify their occupation of South Korea.

It is clear to everyone who takes an unbiased view of things where the danger of aggression comes from on the Korean peninsula, the news analyst says, and goes on:

South Korea is stockpiled with nuclear weapons, having turned into the biggest nuclear strike base in the Far East, whereas there is not a piece of nuclear weapons in the northern half of Korea. Nuclear-armed U.S. imperialist aggression forces more than 40,000 strong and the puppet army one million strong are constantly in an attack posture against the northern half. Worse still, U.S. imperialist aggression forces and means of nuclear war based in the U.S. mainland and the Asia-Pacific region are being massively thrown into South Korea to participate in the "Team Spirit" joint military exercises.

To cry over the "threat from the North," reversing this stark fact, is a robber-like jargon which can be let out only by the U.S. imperialist aggressors who are accustomed to describing invasion of another country as "a restoration of democracy" and reversing black and white.

The "security" of South Korea advertised by the U.S. imperialists is not for the South Korean people, but for the security of U.S. strategic interests.

The U.S. strategic interests lie in maintaining South Korea as a military bridgehead for continental aggression and a nuclear forward base against socialism. To this end, they are strengthening the fascist rule over South Korea.

The U.S. imperialists seek to realize the Asia-Pacific strategy and global strategy by igniting a war against the North, a nuclear war, with South Korea as the springboard.

This is why they are trying to perpetuate their occupation of South Korea and stepping up war preparations under the cloak of "security commitments."

Today it is a global tendency that foreign troops withdraw in all parts of the world and all the countries and nations are advancing along the road of independence, freed from the domination and interference of outside forces. But, only South Korea is humiliated as a colony under the jackboots of the U.S. forces and as an orphan in the era of chajusong. It is a consequence of the U.S. imperialist strategic interest.

The United States must withdraw its occupation forces and nuclear weapons from South Korea without delay, not resorting to far-fetched sophistry.

KCNA Levels Criticism at No Tae-u 6 Mar

SK0603222990 Pyongyang KCNA in English 1527 GMT 6 Mar 90

[Text] Pyongyang March 6 (KCNA)—The Consultative Council of Former South Korean Politicians in the North for the Promotion of Peaceful Reunification made public crime records on Tuesday indicting the acts committed by the traitor No Tae-u over the two years after he took office.

The council is an organisation which was formed by former "national assemblymen," "ministers" and people of political, religious and other circles of South Korea who came over to the northern half of the republic during the period of the Korean War.

The crime records cited irrefutable facts to bring to full light the nature of No Tae-u as a heinous fascist hangman, despicable flunkeyist traitor, the enemy of national reunification and vicious political swindler.

The "Sixth Republic" of No Tae-u is characterized by the military fascist rule far surpassing the dictatorship of the "Fifth Republic" of Chon Tu-hwan, it said, adding:

The No Tae-u clique has further strengthened the fascist repressive system, leaving intact the "National Security Law" and "National Security Planning Board Law" and other fascist laws and the "Security Planning Board" and the "Security Command" and other repressive tools, the remains of the "Fifth Republic" dictatorship.

The traitor No "totally blocked" the righteous struggle of students and people with the massive mobilization of police and "detained all of them."

In 1988 the fascist clique mobilized more than 100,000 combat police every day and arrested over 6,000 students at the time of the foiled June 10 student talks and took to the police and detained nearly 5,000 students, firing more than 12,000 tear gas canisters in a week before the August 15 student talks.

They formed the socalled "joint security investigation headquarters" with the "Security Planning Board," the "Security Command," the prosecution and police last year, creating a terror-ridden atmosphere all over South Korea.

The number of people arrested on political charges by the fascist clique last year by invoking fascist laws is 5.26 on a daily average, or 3.3 times the figure 1.6 at the time of the dictatorship of the "Fifth Republic."

The traitor No is a dyed-in-the-wool colonial servant, a nuclear war servant of U.S. imperialism.

He has overshadowed any other successive puppets of South Korea in his pro-American treacheries true to his

words, "I will have nothing to repent of even if my body were reduced to dust and dirt" in the course of upholding the will of Pentagon.

The traitor No, who visited the United States in 1988 and in October 1989, begged for the continued presence of the U.S. troops in South Korea and vowed to increase the share of the cost for the maintenance of the U.S. troops in South Korea. As a result, the puppets' share of this cost amounted to more than 2,200 million dollars.

He again begged for a permanent presence of the U.S. forces when the U.S. defence secretary flew into Seoul some time ago, saying he "cannot accept the suggestion of the U.S. side" as regards "reduction" of the U.S. forces, and meekly complied with his master's demand for additional grants for the upkeep of the U.S. troops.

The traitor No has run amuck to provoke a new war as a nuclear war servant of U.S. imperialism.

According to the "nuclear strategy programme" of U.S. imperialism, he stockpiled a lot of new-type bombs and shells of the U.S. imperialists in South Korea where over 1,000 pieces of nuclear weapons have already been deployed, and further expanded the underground nuclear depots in the southwestern areas of South Korea including Kunsan, Osan and Suwon. An air base, "the biggest in the world," with a runway over 7,000 metres long and 5 million pyong (one pyong is 3.3 square metres) is being built in Sosan county, South Chungchong Province, and the Moslpo Airport on Cheju Island is being expanded as a military airfield. And airports for nuclear-capable planes are under construction in secrecy in Chungwon of North Chungchong Province and Suwon of Kyonggi Province, etc.

The traitor No Tae-u last year decided to bring in the military planes and nuclear missiles of different types including "RF-4C" reconnaissance planes under the pretext of "modernization" of the puppet army and, as if this was not enough, planned to purchase 120 new-type fighter planes on precondition of buying fighter planes worth more than 3 billion dollars from the United States in future. And he is continuing to bring in war materiel like submarines from European countries including West Germany.

He has ceaselessly staged military exercises with the U.S. imperialist aggression forces against the fellow countrymen.

This year, too, he is conducting provocative "Team Spirit" joint military exercises in league with the U.S. imperialists and openly declared that they would participate in "Rimpac 90" and "Pacex 90" joint military exercises.

The traitor No Tae-u is a villainous national separatist who has more persistently pursued "two Koreas" than any other preceding dictators of South Korea.

Under the aegis of the U.S. imperialists he set the "nordpolitik" as the "immediate task of the 6th Republic" and has resorted to moves to perpetuate the national division for "two Koreas" and is now working overtime to realize "entry into the United Nations" through the so-called "UN diplomacy."

The traitor No made quite a noise about his "July 7 declaration," "Korean national community unification formula" and other proposals for a permanent division of the nation as if he were interested in reunification. But, in actuality, he put down the reunification movement which was gaining momentum in South Korea at the point of the bayonet. The fascist clique imposed heavy penalties upon Rev. Mun Ik-hwan in his seventies who had visited Pyongyang to discuss matters over reunification and upon coed Yim Su-kyong, who is welcomed by the nation as the "flower of reunification."

Claiming "unified channel of dialogue," the traitor No is pursuing a seclusionist policy to block wide-range dialogue between the North and South and free contacts, travels and exchange among people of various strata and tightly close the door of reunification.

The No clique even asserts in a far-fetched way that there is "no" concrete wall although the actually exists, rejecting our epochal peaceful reunification proposal for pulling down the barrier of division and materializing free travel and complete opening between the North and South.

The traitor No is originally a criminal who had participated in the building of the concrete wall.

On orders from the then U.S. Ambassador to South Korea Lilley (December 1988) that the conservative forces must counter with a united force the traitor No met Kim Yong-sam, president of the defunct "Reunification Democratic Party," who was obsessed with the greed for power, and Kim Chong-pil, president of the also defunct "Dew Democratic Republican Party," to hush up the question of "liquidation of the Fifth Republic legacies" and then had a criminal confab to realize the "merger of three parties" soon in the new year and finally committed a new political coup d'etat.

Now the traitor No is committing never-to-be-condoned treacherous crimes, hatching up a plot to form the "seventh Republic" aimed at keeping and prolonging the U.S. imperialists' colonial military fascist rule through the long-term office system of the one party dictatorship of the "Democratic Liberal Party." The crime records expressed the belief that the dissident forces and people of all strata of South Korea would never be taken in by smooth-tongued words of the traitor No and such political charlatans as Kim Yong-sam and Kim Chong-pil, bridesmen of No, but staunchly fight the grand pro-American conservative coalition with the unity of all the national democratic forces.

ROK's No Denounced for Suppression of Labor

SK0703102590 Pyongyang KCNA in English 1008 GMT 7 Mar 90

["NODONG SINMUN Lambastes No Tae-u Fascist Clique's Suppression of Labour Movement"—KCNA headline]

[Text] Pyongyang March 7 (KCNA)—The suppression of the labour movement by the No Tae-u military fascist clique has become all the more undisguised in South Korea, says NODONG SINMUN today.

A few days ago the fascist clique installed another repressive tool called "team to cope with labour-capital problems" at the police bureau and police stations throughout South Korea and then issued a suppressive order to "strictly deal with" labour-capital disputes by promptly mobilizing "government power" and arrested 250 leading members of the "National Council of Trade Unions" (Chonnohyop), the news analyst says, and continues:

Facts show that the No Tae-u group's suppressive offensive for totally stifling the labour movement ever growing in South Korea has reached a very reckless stage.

It is only too natural for the South Korean workers who are languishing under the colonial military fascist rule of the U.S. imperialists and the puppets to rise up in a struggle to restore their lost vital rights and democratic rights.

This notwithstanding, the No Tae-u fascist clique, crying for "industrial peace," not only suppress "Chonnohyop" as an "illegal organization" but also harshly crack down even on the labour disputes by mobilizing "government power." What a malicious crime this is!

The No group that has rebuilt the fascist dictatorial system through "political restructuring" worked out a plan of scorched-earth operation against the labour movement and has already drawn the sword. With the bayonet, however, it cannot obliterate the workers' struggle.

ROK's 'Suppression' of Student Struggle Viewed

SK0203055290 Pyongyang KCNA in English 0516 GMT 2 Mar 90

[Text] Pyongyang March 2 (KCNA)—The "chief of the police headquarters" of South Korea recently cried for strict measures against an expected student struggle of solidarity with the "National Alliance of the Movement for the Nation and Democracy," the "National Council of Trade Unions" and other dissident organizations with the three-party merger as the new starting point of struggle.

NODONG SINMUN today brands this as an order to suppress in advance the struggle of the people against the "political restructuring" and the student movement which is showing signs of a new tide.

The news analyst says:

The new order of the No Tae-u group is one more repressive step to prevent the people's struggle against the three-party merger from exploding to a greater extent with the active participation of student organizations including the "National Council of Student Representatives" in the struggle.

Under the pretext of "public peace for people's life" the puppets had already plunged the whole of South Korea into a horrible terror-ridden atmosphere under the sway of the bayonet by issuing one repressive order after another and mobilizing not only puppet police and prosecution but also the puppet army and paramilitary forces.

And, as if it were not enough, the chief of the puppet police headquarters announced that "detective sections" would be installed at five puppet municipal police bureaus following Seoul and Kyonggi Province and the "detectives in charge of violent criminals" be increased by 2,000 men. Earlier, the puppets decided to increase the numerical strength of the puppet police by 30,000 men by the end of 1992.

"Public peace for people's life" is no more than a signboard. The sharp edge of the armed suppression is directed against the students, people and democratic organizations calling for anti-U.S. independent reunification, democracy and vital rights.

Facts show that the No Tae-u military fascist group is making the last-ditch efforts to prop up and extend its tottering dictatorial "regime."

Newspaper Decries Treatment of ROK Dissident

SK0303045990 Pyongyang KCNA in English 0435 GMT 3 Mar 90

[Text] Pyongyang March 3 (KCNA)—The No Tae-u group on February 28 "released on parole" 22 prisoners of conscience including So-sung, a Japan-born Korean student, out of the more than 1,000 on the occasion of the "March first uprising."

It is the height of folly for the puppets to refer to this as a signal of a new "democratic politics" consequent upon the merger of the three parties, says NODONG SINMUN in a commentary today.

The news analyst goes on:

As far as the prisoners of conscience who were put "on parole" this time and those still behind bars are concerned, they are guiltless patriots and democrats who fell victim to intrigues by the puppets on groundless charges. This is obvious from the case of So Sung.

As So Sung said upon his "release on parole," he had visited the northern half of Korea, "urged by the single wish to see at first hand the other half of the country" as

a member of the divided nation, moreover as a young man who had been subjected to national discrimination in an alien land.

Nevertheless, the puppets passed capital and then heavy penalties on him and, for refusing to be converted, persecuted him behind the bars before setting him free now, and used even this for their political purpose.

Facts vividly prove that the "release" by the puppets is a mere drama to deceive public opinion and give the "new mega-party" a boost and that there is no change in their fascist nature.

With no amount of intrigues can the No group conceal the true color of the "new mega-party" as a fascist separatist one.

South's 'Industrial Peace' Policies Assailed

SK0703052790 Pyongyang KCNA in English 0511 GMT 7 Mar 90

[Text] Pyongyang March 7 (KCNA)—The South Korean authorities must immediately stop suppressing the just struggle of workers for vital rights and democracy under the cloak of "industrial peace," unconditionally release those involved in the labour movement illegally arrested, recognize the legitimacy of the "Chonnohyop [National Council of Labor Unions]," an independent and democratic organisation of South Korean workers, and ensure its free activity.

The Central Committee of the General Federation of Trade Unions of Korea said this in a statement Tuesday denouncing the U.S. imperialists and the No Tae-u puppet clique for recklessly trampling upon the human rights and vital rights of the South Korean workers and brutally suppressing their just labour movement under the cloak of "industrial peace."

The "industrial peace" advocated by the No Tae-u puppets is a deceptive slogan to shift the responsibility for the present economic crisis on to the working people and stifle the labour movement, the statement noted, and went on:

The serious crisis of the present South Korean economy has not been caused by "labour-management dispute" or wage hike but is attributable to the colonial economic structure of South Korea depending on U.S. imperialism and to the anti-national and anti-popular economic policy of export-orientation.

The U.S. imperialists pressed South Korea to appreciate the "won" by 35 percent and put pressure upon it to open markets so as to export their goods without restraint while taking a step for import control on goods from South Korea.

It is entirely natural for existence that labour disputes break out and the struggle for wage increase continues in South Korea.

The "U.N. Statistics Year Book" said that South Korean workers work 10-12 hours longer a week than workers in capitalist countries. Actually, South Korean workers are driven hard for 12 to more than 14 hours a day and those engaged in transport up to 20 hours a day.

According to data curtailed by the South Korean authorities, industrial disasters in 1988 claimed 2,000 lives and crippled 106,300 workers. All told, 142,000 workers fell victims to industrial accidents.

Most of South Korean workers get low wages less than one a quarter of the minimum living cost. Their wages are no more than one seventh of those of American workers and one sixth of those of Japanese workers.

Under this situation, the struggle of the South Korean workers for living is the exercise of their elementary right to existence and the human rights of social beings. Such law and system as calling this "illegality" and "unlawfulness" are immoral and inhuman.

The No Tae-u fascist clique are servants of U.S. and Japanese monopolies and comprador capitalists guaranteeing their excessive profits and exploiters and plunderers of the same group.

The South Korean workers should resolutely oppose and reject the deceptive "industrial peace" concept of the No Tae-u group, achieve wage hike through struggle, get working conditions improved and win democracy including the three rights of labour and the freedom of trade union activity through struggle.

1936 Nanhutou Meeting Celebrated in Dailies

SK2802121790 Pyongyang KCNA in English 1022 GMT 28 Feb 90

[Text] Pyongyang February 28 (KCNA)—NODONG SINMUN and MINJU CHOSON today dedicate articles to the 54th anniversary of the historical Nanhutou meeting.

The article of NODONG SINMUN says:

The great leader Comrade Kim Il-song convened a meeting of the military and political cadres of the Korean People's Revolutionary Army (KPRA) in Nanhutou, Ningan county, from February 27 to March 3 in 1936 with a view to comprehensively establishing chuche in the Korean revolution and leading the anti-Japanese national-liberation movement in Korea to a great upswing.

At the meeting he delivered a historical report under the title "The Tasks of Communists in the Strengthening and Development of the Anti-Japanese National-Liberation Struggle."

First of all, he put forward a policy of shifting the main force of the KPRA to the border areas and gradually extending the theatre of the struggle into the homeland.

Comrade Kim Il-song said:

"In order to bring about a great upswing in our anti-Japanese national-liberation struggle at the present stage we must shift the main force of the Korean People's Revolutionary Army to the border areas and gradually extend the theatre of our struggle into the homeland."

He indicated tasks to carry this strategic policy into practice, tasks of setting up secret bases in the areas around Mt. Paektu and stepping up the armed struggle by expanding and consolidating the armed ranks.

At the meeting he also set forth policies of further expanding and developing the anti-Japanese national united front movement and actively stepping up nationwide preparations for founding a party.

He pointed out that if the anti-Japanese national united front movement was to be developed further, it was necessary to form a standing body of the united front and organize and conduct the work of the united front in close coordination with the armed struggle.

He said that if the preparations for founding a party were to be stepped up, it was imperative to steadily expand party organizations in the homeland and establish a thorough system of guidance for them, firmly prepare the organizational backbone for party building and, at the same time, guarantee the ideological purity of the revolutionary ranks and lay the solid mass basis for the founding of the party.

The policies set out at the Nanhutou meeting were revolutionary policies which made it possible to smash the Japanese imperialists' heinous military and political offensive, wise policies which enabled the Korean communists to keep to the stand of chuche and more successfully carry out their noble tasks for the Korean revolution, and scientific policies for more firmly preparing the internal revolutionary forces, the article stresses.

Noting that after the meeting the great leader Comrade Kim Il-song wisely organized and led the struggle to carry through the new strategic policies, the article says:

The great leader stepped up the anti-Japanese armed struggle in reliance upon revolutionary bases set up deep in the homeland and energetically pushed ahead with the struggle to bring the Korean revolution to a great upswing on the whole, including the struggle for the building of party organizations, the anti-Japanese national united front movement centering around the movement of the association for the restoration of the fatherland, various forms of anti-Japanese mass struggles and the struggle to prepare an all-people resistance.

The article of MINJU CHOSON says the Nanhutou meeting was a historical event of weighty significance in bringing the Korean revolution to a great upswing as a whole.

Appeal to Workers Adopted at National Meeting

SK2802111090 Pyongyang KCNA in English 1032 GMT 28 Feb 90

[Text] Pyongyang February 28 (KCNA)—An appeal to the workers, technicians and office employees throughout the country was adopted at the three-day national meeting of production innovators held here.

The appeal says that our working class and other working people should splendidly decorate the last decade of the 20th century with vast creation and construction and make the 1990s a glorious decade which will record the most brilliant chapter in the history of our party and people.

It calls on them to bring about a great revolutionary upsurge once again by creating a new "speed of the 90s" in the implementation of the resolution of the 17th plenary meeting of the Sixth Central Committee of the Workers' Party of Korea with the same revolutionary enthusiasm and militant spirit as they displayed in setting the beginning of the march of chollima through a drive for maximum increase of production and economy in hearty response to the resolution of the December, 1956, plenary meeting of the party Central Committee.

The appeal continues:

The main task in socialist economic construction at present is to consolidate the existing economic foundations and make them pay off while pushing on new construction projects.

"Let us make the existing economic foundations pay off through increased production and economy!"—this is the demand of our party at present and the militant slogan our working class and other people should hold high in the new grand march.

To this end, it is imperative to maintain a high and steady rate of production in all domains.

Referring to the tasks of different domains of the national economy including fuel and power industries, the appeal stresses that the key to the successful fulfilment of the vast and difficult tasks facing us today is to fully display the revolutionary spirit of self-reliance and strenuous effort in all fields and units.

Our working class and people are building socialism under very favorable conditions: The economic foundations they have laid through strenuous effort are very solid and have inexhaustible production potentials, notes the appeal.

It stresses that no force on earth can block the grand march of the Korean working class and people who are struggling for a just cause, deeply conscious of their historical mission, and greater victory and glory are always in store for them.

Red Flag Movement Reports Daily 'Successes'

SK2702222590 Pyongyang KCNA in English 1501 GMT 27 Feb 90

[Text] Pyongyang February 27 (KCNA)—The Three-Revolution Red Flag Movement is developing in depth in Korea.

Dear Comrade Kim Chong-il has said:

"The Three-Revolution Red Flag Movement is a mass movement of a higher form; it raises a higher goal in struggle than any other mass movement and attains it by mobilizing the whole party and the entire people."

The Three-Revolution Red Flag Movement initiated in 1975 is an all-people mass movement for expediting socialist construction through the vigorous three revolutions, ideological, technical and cultural.

This movement, a developed-in-depth form of the chollima movement which gave strong impetus to socialist construction on the whole in the postwar period, has borne rich fruits since its inception.

More than 5,100 units won the Three-Revolution Red Flag and some 170 the Twice Three-Revolution Red Flag over the past 15 years.

As a result, the whole society has been united closer in a big family on the basis of the chuche idea, and the spiritual and moral traits of people have undergone fundamental changes. Great changes have been brought about in production and construction with the technical and cultural level of the working people rapidly rising.

In this period a large contingent of new people of chuche type who devotedly work for the country and the people has grown up and thousands of unassuming heroes and men of meritorious services have been produced.

A healthier morale has been established in the overall social life, revolutionary sense of obligation and warm love of man have become basic to human relations, and the singlehearted unity of the leader, the party and the masses more unbreakable.

In the industrial sector tens of thousands of new inventions and technical innovation proposals have been introduced into production annually to go a long way toward the economic development of the country.

The intellectualization of the whole society has been promoted actively and culture in production and life brought into full bloom in the heat of the Three-Revolution Red Flag Movement.

The entire members of workteams have become engineers or assistant engineers at many units including the Twice Three-Revolution Red Flag open hearth No. 2 of the steel shop of the Hwanghae iron and steel complex and the Twice Three-Revolution Red Flag workteams Nos. 1 and 2 of the Panmun cooperative farm in Panmun county, Kaesong.

Dwelling houses and cultural and welfare facilities with a total floor space of more than 5.5 million square metres have been built in the capital city of Pyongyang in the last two years or more of the '80s.

The Three-Revolution Red Flag Movement is gaining strength in Korea which set out on the first leg of the march of the '90s, along with the movement for following the examples of unassuming heroes who devote their youth and life to the development and prosperity of the country, with the result that innovative successes are reported every day.

Electronic, Automation Industry Efforts Urged

SK2502044390 Pyongyang Domestic Service in Korean 0007 GMT 5 Feb 90

[NODONG SINMUN 5 February editorial: "Let Us Put More Effort Into the Development of the Electronic and Automation Industries"]

[Text] Currently, our people are bringing about a great new upsurge by highly upholding the decisions of this year's New Year's address by the great leader Comrade Kim Il-song. Our people are also advancing by upholding the decisions of the 17th plenary session of the Sixth Central Committee of the Workers Party of Korea [WPK] and by vigorously carrying out the struggle to increase production and to economize.

In order to carry out urgent economic tasks well and rapidly accelerate more socialist economic construction, great effort must be continuously put into the development of the electronic and automation industries. The great leader Comrade Kim Il-song has taught: The material and technical basis in the electronic and automation industries must be accumulated firmly and production of various electronic elements, automatic instruments, and apparatuses, including integrated circuits and electronic computers, must be increased in an epoch-making way.

Today is an era of automation and robotization, in which machine tools are adjusted by number and in which the production process is robotized based on the state-of-the-art science and technology of the electronic industry. We cannot think about a great growth in production and rapid technological progress without thinking about the development of the electronic and automation industries.

In order to prove the worth of the existing economic basis which is in accordance with the decisions of the party plenary session, the development of the electronic and automation industries must be accelerated. This must be done so that all fields in the people's economy can be further equipped with modern and technological means. Also, in order to successfully realize the magnificent program of the socialist economic construction and to achieve ahead of schedule the complete victory of

socialism, great efforts must continue to be put into the development of the electronic and automation industries.

Great efforts must be put into the development of the electronic and automation industries so that automation, robotization, and electronic computerization in production can be realized more rapidly. Also, a great growth in productivity must be realized so that the people's economy can be developed and be completely free from difficult and strenuous labor. Therefore, the universal desire of our workers to be satisfied and enjoy an abundant and civilized life can be realized as soon as possible.

In accordance with the global trend of scientific and technological development, and the practical demand of the economic development of our country, more effort must be put into the development of the electronic and automation industries so that new progress can be made in this field.

What is important most of all here is for the party members and workers to continue to highly uphold the decisions of the 14th plenary session of the Sixth Central Committee of the WPK and fulfill it consistently. Many years have passed since the beginning of the 14th plenary session of the Sixth Central Committee of the WPK and currently new tasks are being presented every day.

The revolutionary fighters must maintain a correct spirit for struggle and a proper work habit to consistently and patiently push ahead in the struggle and fulfill the party policy in whatever difficulty. With the faith and enthusiasm that existed when our functionaries and workers first accepted and embraced the teachings of the great leader Comrade Kim-song at the 14th plenary session of the Sixth Central Committee of the WPK and the decisions of the plenary session, they must earnestly and persistently struggle until the decision of the party to rapidly develop the electronic and automation industries are fulfilled.

This kind of spirit and quality must be further highly manifested among the functionaries who directly organize and guide this work. The functionaries of the ministries of the State Administration Council and related committees have faith in the intention of our party to enhance the standard of the country's electronic and automation industries. They believe our party can enhance the electronic and automation industries to a global level in a short time, that it can show continued interest in the industries' development, and that it can work hard to directly solve problems.

Improving the economic organizational work is a prerequisite in rapidly developing the electronic and automation industries. Currently we possess scientific and technical capability and have a good basis for rapidly developing the electronic and automation industries. The success or failure of developing these industries depends on how the economic organizational work is carried out.

By upholding the party's appeal to produce and conserve, and to make the existing economic foundation prove its worth, the functionaries of the electronics and automation industries should effectively utilize their own scientific and technological capabilities and their production capacities. By so doing, they should increase the production of electronic products and the production of automation facilities and devices, and they should vigorously push ahead with the task of establishing new bases.

If the existing production capacities are properly utilized, this alone can solve many problems. According to the demand of the era for dashing forward with the new speed of the nineties, the functionaries of these sectors should go into the masses with a strong revolutionary determination and should fully mobilize their creative talents. At the same time, they should rationally organize production and dig out the potential of production and conservation. By so doing, they should ensure that the existing plants are put into full operation.

The plants and enterprises of these sectors should recondition and strengthen the production process, improve the technological management, specialize production, and guarantee the production and supply of materials and resources according to the technical standards. By so doing, they should enhance the production of electronic products both in quality and quantity.

Effort should be concentrated on organizational work designed to systematically accelerate the creation of new production capacities.

Today, we have clear goals, and clear ways and methods to develop the electronics and automation industries on a global level. The party organizations and functionaries of these sectors, based on the proper calculation of capacities and proper priorities, should carry out concentrated operations and further strengthen the electronics goods and components production bases. By doing so, the production of digital control devices, computers, integrated circuits, electronic instruments, and pure metal, high-efficiency reagents, and other electronic components should be extensively increased, and the self-reliance and chuche-oriented character of the electronics and automation industries should be further enhanced.

Introducing advanced technology and establishing new production bases can be successfully accomplished only when scientific and technological capabilities are properly organized and mobilized. By maintaining close coordination with scientific research institutes, the functionaries of the electronics and automation industries should intensify the cooperative operation and properly conduct the organizational work for scientists, technicians, and producers so that they may strengthen their creative cooperation. In particular, positive effort should be placed on helping scientists and technicians use the success of their scientific research won in developing the

electronics and automation industries in mass production and in solving problems which arise in reality. At the same time, the functionaries of these sectors should place even greater effort on scientific and technological exchanges. They should also properly introduce advanced science and technology according to the situation of our country.

The economic organizational work is a task of practice. If functionaries only talk about the significance of the development of the electronics and automation industries, it is impossible to solve problems. The functionaries of the State Administration Council and of the concerned committees and ministries should increase the investment in the electronics and automation industries and should further improve the material supply work according to the demand of the party. In particular, the metal, chemical, and other related industries, with an attitude worthy of masters taking joint responsibility for the given task, should increase the production and supply of pure metal, precision alloys, high-efficiency reagents, and other chemicals.

In carrying out the huge tasks of the electronics and automation industries, the masters are precisely those functionaries and working people of the various sectors. The electronics and automation industries have talented scientists, technicians, and skilled workers. Thus, if the functionaries and working people of the sectors struggle with determination to implement the decision of the party, serious problems can be solved.

By following the experiences gained in the struggle to implement the decision of the plenary meeting of the party, the functionaries and working people of these sectors should self-reliantly solve the problems which arise. They should work to put existing plants into full operation, introduce new technology, and establish new production bases. They also should accomplish the tasks assigned by the party swiftly and unfailingly.

The party organizations at all levels of the sectors should continue to vigorously arouse the party members and working people to the work of responding to the party's call. They also should arouse the party members and working people in implementing the party's policy and should ensure that they fully display their creative wisdom and skills with lofty loyalty and dedication to the party. In particular, the party organizations should offer active party guidance for the economic guidance functionaries. They should do this so that they can boldly plan and ambitiously advance their tasks to effect an epochal turn in developing the electronics and automation industries. In doing so, a new great turn should be effected in a short period in developing the electronics and automation industries of the country.

Correction to 'Statement' on U.S. Pullout

The following correction pertains to the item headlined "'Statement' on U.S. Pullout" published in the 5 March Northeast Asia DAILY REPORT, beginning on page 27:

Page 27, column two, last paragraph, sentence one, should read: [Text] The Foreign Ministry.... (deleting "KCNA" dateline)

South Korea

Reportage Continues on Fourth Tunnel in DMZ

North Korea Seals Tunnel

SK0603102890 Seoul TONG-A ILBO in Korean 6 Mar 90 p 1

[Text] North Korea set up a wall blocking the fourth tunnel, which was found in the DMZ in the eastern front on 3 March, forcing the ROK Army to suspend its investigation of the tunnel. According to military authorities on 6 March, the North Korean side set up booby traps and mines in the tunnel 330 meters south of the Military Demarcation Line [MDL] (700 meters from the entrance of the counter tunnel). The North Korean side built a wall blocking the tunnel just behind the site of the 4 March mine explosion, which killed a military search dog while an army unit was conducting a search operation. The North Korean side set up this wall while the army search unit suspended the search operation to remove booby traps and explosives, thereby blocking any further advance of the search unit.

An official of the military authorities said, "In the case of the No. 1, No. 2, and No. 3 tunnels, the North Korean side blocked them with concrete walls at the point at which the MDL passes, but this time they blocked the tunnel with what looks like sandbags, probably because they had no time to set up a concrete wall." This wall set up by the North Korean side caused the underground water to rise in the tunnel, and the military authorities are now conducting an operation to drain the water from the tunnel.

The military authorities, explaining why the North Korean side had to set up the wall in the DMZ south of the MDL, speculated, "They did so probably because they had equipment, scribblings, or facilities in the tunnel which they had no time to withdraw."

Meanwhile, the fourth tunnel, according to the findings so far, is 2,002 meters long, extending 950 meters north of the MDL and 1,052 meters south of the MDL, and our counter tunnel pierced through the North Korean tunnel at a point 22 meters from its southern end.

The military authorities said, "It seems that the North Korean side dug the tunnel with three work teams of 13 men each operating 24 hours a day in three shifts, advancing three meters each day. We suspect that they dug the tunnel from 1972 through the first half of 1980, but we have to make a closer study of it to arrive at a more definite conclusion."

It is said that since an underground tunnel is dug with an upward slope so as to drain the inside of the tunnel of the underground water in a natural way making it easy to

dispose of the dug out earth, if a wall blocking the tunnel is built, the underground water that flows to the north along the slope fills the tunnel and the tunnel itself is sunk in the water.

Joint Team Blocking Tunnel

SK0703011490 Seoul THE KOREA TIMES in English 7 Mar 90 p 3

[Excerpts] The ROK-U.S. Tunnel Neutralization Team (TNT) is putting up a protective wall in the newly-discovered fourth North Korean underground invasion passageway 700 meters North of the point of its breakthrough, according to a ranking official at the Defense Ministry yesterday. The official said in a briefing to reporters that TNT contingent troops had started to erect the sandbag wall at the point where a search dog was killed in the explosion of a land mine hidden in a wooden box Sunday.

They will also install an assortment of equipment as a safety measure at the wall now under construction, the official revealed.

A sniffer dog tripped on a land mine and was killed in the mine explosion Sunday when a search squad advanced about 700 meters North of the point where the counter shaft reached the North Korean-dug tunnel. The wall is located approximately 300 meters South of the Military Demarcation Line (MDL), which extends through the center of the 155-mile-long Demilitarized Zone.

The joint Korean-U.S. investigation team stopped its search operations in the tunnel. The ministry official said that the Korean and U.S. forces also erected necessary facilities at a place where the underground passageway was thought likely to collapse while evacuating the tunnel boring machine (TBM) and prospecting equipment from the North Korean-built tunnel. [passage omitted]

Meanwhile, officials of the Defense Ministry divulged at the National Assembly Defense Committee yesterday that the ROK-U.S. TNT, composed of 520 Korean and 37 American soldiers, have since 1978 continued work on detecting North Korean-dug invasion tunnels. They said that the TNT contingent forces detected explosions and sounds of electric generators from below the surface, boring 3,504 points along 26 axes in no-man's land.

The joint investigation squads have detected explosions and the sound of electric motors an average of 10,000 times a year since 1978, the defense officials said. But they added that the number of explosions and the sound of the generators dropped to 120 times abruptly in 1989.

The Defense Ministry will reinforce the detection forces together with more sophisticated equipment, expecting to find about 20 suspect invasion tunnels, they said.

Discovery To Affect Dialogue

SK0703095490 Seoul TONG-A ILBO in Korean 5 Mar 90 p 1

[Excerpt] It appears that the discovery of the fourth underground tunnel may cool North-South relations for a long time, and that the government's policy toward North Korea's opening up and North-South dialogue will undergo a significant change and readjustment.

On 5 March, a high-ranking government official concerned said that "we will be able to understand clearly why North Korea dug this underground tunnel when the result of our investigation into when this tunnel was dug and into other matters is available." He also stated that "because the presence of the underground tunnel itself is clear evidence that the North's line of communizing the South has not changed at all, we cannot help but mention this issue in our future contacts and dialogue with North Korea." In this way, he made it clear that, in North-South dialogue and on other occasions, the government will strongly ask the North side to explain the underground tunnel.

This involved official also said, "Our side's policy in North-South dialogue has so far been that, in an effort to bring about successes in dialogue, our side will not present these issues—which may suspend the dialogue—unless the North side first presents the issue of the 'Team Spirit' exercise and that of the concrete wall. However, in future dialogue, our side will present the underground tunnel issue and will ask the North side to apologize for and explain this issue.

However, this official added that the government will continuously carry out the policy of leading North Korea toward opening up on a long-term basis. [passage omitted]

'Official Source' Cited on North Succession

SK0603121190 Seoul YONHAP in English 1204 GMT 6 Mar 90

[Text] Seoul, March 6 (YONHAP)—North Korean leader Kim Il-song is likely to turn over his presidency to his son, Chong-il, right after the Supreme People's Assembly elections slated to be held on April 22, an official source here said Tuesday.

The source said Pyongyang's recent decision to advance the date of the parliamentary elections by six months to April 22 can be accepted as a sign that North Korean leaders may seek to reshape the organization of the Supreme People's Assembly into one centered on the leadership of Kim Chong-il. Under North Korean laws, a president is elected by the Supreme People's Assembly.

The elder Kim, however, is expected to retain his reign over the Workers' Party as general secretary until 1992 when the seventh congress of the party is slated, he said.

He observed that official succession by Chong-il to the party's top position will formally be decided in the congress.

Explaining about the possibility of the younger Kim's succession to the presidency after the parliamentary elections, the North Korean affairs expert pointed out that there have been "unusual" frequency of military functions for pledging allegiance to him after the turn of the year.

He also observed that North Korea's establishment would not undergo a basic change even after Kim Chong-il takes over presidency from his father. The younger Kim has been elevated to several senior party positions during the last few years under Kim Il-song's effort to groom him as his successor.

North Renews Call for Tripartite Arms Talks

SK0703021690 Seoul THE KOREA HERALD in English 7 Mar 90 p 2

[Text] North Korea renewed Monday its decades-old call for a tripartite meeting to be attended by Washington, Seoul and Pyongyang to discuss arms reduction on the Korean Peninsula, the Naewoe Press said yesterday. The Pyongyang move came one day after Seoul disclosed a tunnel inside the Demilitarized Zone, the fourth dug by the north Koreans for use in invasion of the south.

In a statement issued by the Foreign Ministry, north Korea also called for the suspension of an annual joint Seoul-Washington military exercise, Team Spirit '90, claiming it has neither an intention nor capability to invade south Korea.

During his recent visit to Seoul, U.S. Defense Secretary Dick Cheney said there will be no substantial reduction of U.S. forces in Korea unless north Korea takes substantial steps to ease tension on the peninsula.

Jiang's Visit To Reaffirm Ties With North

SK0703023290 Seoul THE KOREA HERALD in English 7 Mar 90 p 1

[Text] Beijing (AP)—Communist Party General Secretary Jiang Zemin is to travel to North Korea in mid-March in his first trip outside China since assuming his office last June. The official Xinhua news agency, in a one-sentence dispatch Tuesday, said Jiang will make the goodwill visit at the invitation of North Korean President Kim Il-song.

Jiang's visit accentuates the close ties between the two hard-line Communist states, particularly at a time when North Korean relations with its other main ally, the Soviet Union, have been strained by Soviet reforms and ideological changes. North Korea also needs to bolster its ties with China as East European nations and the Soviet Union move toward official relations with the rival South Korean government.

China does Y3 billion worth of annual trade with the South and sanctions non-official ties, but insists it will not normalize relations with the Seoul government and continues to support the North on all Korean issues.

Jiang's trip follows an unannounced three-day visit to Beijing by Kim last November. The 77-year-old Korean leader reportedly sought to reaffirm the two country's longstanding socialist ties amid upheaval in East Europe and head off any tendency toward increased China-South Korean contacts.

Jiang's predecessor, Zhao Ziyang, also visited Pyongyang last April, when student-led pro-democracy demonstrations were filling the streets of Beijing and conservatives such as Premier Li Peng were consolidating a hard-line position toward the students. On June 24, three weeks after the military crushed the democracy campaign, the party accused Zhao of supporting the demonstrators and ousted him from all his posts. It named Jiang, then party chief of Shanghai, to head the 48 million-member party.

North-South Trade Volume To Rise Steadily

SK0603011090 Seoul YONHAP in English 0106 GMT 6 Mar 90

[Text] Seoul, March 16 (YONHAP)—The South Korean Government authorized 67 transactions with North Korea worth 24.53 million U.S. dollars between the time it enacted guidelines on inter-Korean trade in October 1988 and the end of January, the Trade and Industry Ministry said Tuesday [6 March]. All but one deal, valued at 69,000 dollars, were imports.

Of the authorized imports, 83 percent or 20.29 million dollars worth have cleared customs while the remainder, mostly anthracite and sea products, were rejected because of quality problems,the ministry said. In January alone, five permits were issued for imports worth 1.19 million dollars.

Zinc ingots accounted for most of the imports from North Korea at 7.4 million dollars, followed by steel materials at 6.99 million dollars, anthracite at 2.94 million dollars and electrolytic copper at 2.55 million dollars. Other major imports include sea products, medicinal herbs and special products such as ceramics.

Mostly through brokers in Hong Kong, Singapore and Japan, 23 South Korean businesses have traded with the North.

Ministry officials said they expect trade volume to increase steadily, with imports accounting for the bulk.

Government To Simplify Exchange Procedures

SK2202130890 Seoul HANGUK ILBO in Korean 20 Feb 90 p 1

[Text] It was learned on 19 February that the government has decided to drastically simplify current procedures for obtaining approval on North-South exchanges,

and is in the process of making tangible plans for activating North-South exchanges by the government.

Also, in order to actively deal with changes taking place in North Korea, and to enhance the efficiency of North-South exchanges, the government has established policies for directing all channels related to North-South exchanges through the Board of National Unification. The government is now in the process of regulating this law.

According to this policy for consolidating channels, it has been decided to establish an overall coordination system within the government to hold discussions on North-South exchanges among related departments.

When applying for approval of individual visits and cooperative work between the North and the South, applications had been received in two stages. The first stage was getting approval for contacts with North Korean residents, in order to find out the intentions of the North Korean side. The second stage was to get approval for the original purpose. At present, the government is simplifying this procedure so that the application only has to be approved once.

Bar Association Seeks Permission for Contacts

SK0303022490 Seoul YONHAP in English 0116 GMT 3 Mar 90

[Text] Seoul, March 3 (YONHAP)—Lawyers from South Korea have applied for permission to contact their North Korean counterparts during an international legal conference in Beijing next month to discuss exchanges and cooperation.

The Korean Bar Association (KBA) said Saturday it applied to the National Unification Board Friday for permission to contact North Korean delegates to the 14th biennial conference on the law of the world.

The April 22-30 conference is sponsored by the World Peace Through Law Center, headed by Charles Rhyne, a former president of the American Bar Association, and over 3,000 judges, prosecutors, attorneys and law professors from more than 100 countries are expected to attend.

KBA, which will send a 100-member delegation, expects North Korean lawyers to attend the conference since it is in China, North Korea's staunch ally.

If permission is granted by the government, during the conference KBA will officially propose to North Korea's central bar association that they seek exchanges and cooperation in the field of law.

Medicine Group Seeks To Invite North Scientists

SK0303061490 Seoul YONHAP in English 0614 GMT 3 Mar 90

[Text] Seoul, March 3 (OANA-YONHAP)—The government gave the Korea Oriental Medical Association permission to contact its North Korean counterpart Saturday to discuss inviting doctors from the North to visit the South.

Association Chairman Kim Han-sung had applied for permission to contact Pak Il-chon, his North Korean counterpart, to invite oriental medicine scientists and doctors from the North to its 13th annual academic research rally in October.

North Sports Figure To Meet Brother From South

SK0303055890 Seoul YONHAP in English 0532 GMT 3 Mar 90

[Excerpt] Seoul, March 3 (OANA-YONHAP)—Hopes of seeing each other for the first time in nearly 40 years are ripening in the hearts of a former North Korean skating star and her brother in South Korea.

The South Korean Government on Friday gave Han Pil-song, 58, permission to meet his sister, Han Pil-hwa, who will be in Sapporo, Northern Japan, for the Second Winter Asiad From March 9 to 14.

North Korea also showed an affirmative response toward the reunion when Pak Myong-chol, first deputy chairman of the State Sports Commission, said upon arrival in Tokyo Friday night that he would do his best for the brother and sister to see each other. [passage omitted]

Northern Reporter Cited on Asiad Participation

SK0503035890 Seoul HANGUK ILBO in Korean 5 Mar 90 p 1

[Report by Correspondent Yi Chae-mu from Beijing]

[Text] It has been learned that North Korea reportedly will separately participate in the Beijing Asian Games in September. The Organizational Committee of the Beijing Asian Games invited the sports reporters of the 39 member nations of the Asian Olympic Council, and is currently holding a 3-7 March briefing session on the status of preparations for the games. When asked if North Korea also notified the Organizational Committee of the games of its will to participate separately in the forthcoming Asian Games, a North Korean reporter attending the session on 4 March said, "I believe it did so, though I am not definitely sure."

Stating that "we tried to send a single team from the North and the South but the South side did not show an active response, and thus this situation is inevitable," the North Korean reporter expressed discontent to the South Korean reporters over the separate participation of the North and the South.

The North Korean reporters who are attending the briefing session number five in all, including those from NODONG SINMUN, the Korean Central News Agency and broadcasters. They showed deep interest in the various facilities of the stadiums and gymnasiums.

Seoul To Seek Joint Ventures With Pyongyang

SK0603124290 Seoul YONHAP in English 1224 GMT 6 Mar 90

[Text] Seoul, March 6 (YONHAP)—South Korea, in an effort to promote economic cooperation with North Korea, plans to seek joint ventures with the North in third countries in the form of combining its capital and technology with the North's labor force, according to some documents filed by the National Unification Board Tuesday.

The government will make vigorous efforts to establish joint ventures with North Korea in third countries based on the judgement that joint ventures in third countries will not hurt North Korea's pride and give North Korea substantial help, thus contributing to the restoration of the homogeneity between the two Koreas, said the documents which were submitted to the National Assembly.

The government is examining a joint development of Mt. Kumgang in North Korea and other projects closely in the security, economic and technical aspects, it was said.

The joint development of the North Korean mountain as an international resort center was agreed between Chong Chu-yong, founder and honorary chairman of Hyundai Business Group, and North Korean officials when he visited Pyongyang in January last year.

The government is poised to affirmatively consider giving the green light if Chong files application for another visit to Pyongyang, the documents said.

Chong became the first South Korean business leader to visit Pyongyang with approval from both governments since the end of the Korean war in 1953.

To promote economic cooperation with North Korea, the documents said, the government will make efforts to resume the stalemated inter-Korean economic talks as early as possible to conclude agreements on the inter-Korean trade and the joint development of Mt. Kumgang.

Meanwhile, the documents revealed that the United States have held contacts with North Korea in seven occasions since their diplomats based in Beijing met with each other for the first time on Dec. 6, 1988.

During the contacts, the United States urged North Korea to make efforts to achieve progress in the dialogue with South Korea, take steps to build confidence in the Demilitarized Zone which divides the Korean peninsula, repatriate the remains of the American soldiers who were missing in actions during the Korean war and assure the renunciation of terrorism.

The North Korean side requested for direct dialogue between Pyongyang and Washington and improvement of relations between the two sides, withdrawal of U.S. troops from South Korea, replacement of the Armistice Agreement with a peace treaty, suspension of U.S.-South Korea joint exercise "Team Spirit" and government-to-government talks for the repatriation of the American war deads, according to the documents.

Proposed Communications Pact With North Drafted

SK0603071690 Seoul YONHAP in English 0703 GMT 6 Mar 90

[Text] Seoul, March 6 (YONHAP)—South Korea is drafting an accord that lays out in detail the inter-Korean communication exchanges it proposed to North Korea earlier this year.

The Communications Ministry, in a report to the National Assembly Tuesday, said it is working on a communication exchange plan in consultation with the National Unification Board and other related ministries.

The draft will specify the scope, method and charges for a postal service as well as telephone charges and ways to connect telegraph and telephone networks in the two Koreas, which are technically at war.

President No Tae-u called on North Korea to sign an accord on communications along with free travel and trade in a news conference in January.

The South Korean Government has since reiterated No's proposal and says such exchange projects would help ease tension on the Korean peninsula in the same way as the two germanys did on the way to their recent rapprochement.

Prospects for North-South Dialogue Assessed

SK2202005590 Seoul HANGUK ILBO in Korean 10 Feb 90 p 13

[By reporter Chong Kwang-chol]

[Text] It is expected that the first half of the nineties will be an important turning point in North-South relations. It is also expected that various changes taking place on the Korean peninsula, as well as abroad, including changes that took place late last year in the socialist bloc countries that were centered around reform and openness in Eastern Europe, and accordingly, the atmosphere of East-West detente, economic crisis within North Korea, and the issue of Kim Il-song and his son's succession, will fundamentally change North-South relations within several years. In view of the example of East and West Germany, there are many possibilities that the visible form of improving North-South relations will be

in the framework of various exchanges. Also, it is possible that the leaders of both sides could meet to provide systematic mechanisms that can support these exchanges. The government already has explored ways to carry out exchanges with the North Korean people. The government also has looked into means of exchanging materials with the North, and it has revealed plans to actively support the realization of North-South summit talks. This article will examine the North-South dialogues that are currently taking place. It also will look at the current situation of promoting exchanges through the government, and it will see what prospects there are for realizing North-South summit talks.

North-South Talks

Currently, three kinds of talks between the North and South are taking place. These talks includes the sports talks, preliminary talks for high-level talks, and the preparatory contacts for parliamentary talks between the two sides. The economic talks and Red Cross talks are currently not in progress, but there are possibilities of resuming these talks. Our side is also making plans to propose to the North to hold talks on the issue of environment and culture within this year. Therefore, it is expected that just as last year, North-South dialogues for this year will take place from various aspects.

However, because of the "Team Spirit" exercises, the North side is making the talks go round in circles. It is expected that from past experiences, the talks will be placed on the right track again when the "Team Spirit" exercises end.

The talks that are arousing our interest most of all among the North-South talks at this point is the preliminary talks for high-level talks.

The sports talks are, in reality, in a state of rupture since both sides only confirmed their differences in opinion at the talks held on 7 February.

The North-South preliminary high-level talks, which have been held six times up until now, have agreed on most of the important items including the name, the time, and the place of the talks, as well as the formation of the delegation, the suite members, and the accompanying reporters. Only the issue of the agenda has not been agreed upon.

Our side put forth six agenda items, including the cessation of mutual slandering and defaming, carrying out multifaceted exchanges and practice of cooperation, and the issue of establishing military credibility. On the other hand, the North side emphasized "removing the pressing political and military confrontation." This shows that there is a difference in opinion. However, at the fifth round of talks last December, both sides agreed that carrying out the multifaceted exchanges and cooperation, along with the removal of the pressing political and military confrontation, would become items for the agenda. Currently, the only problem is to decide which item should be given priority to.

Most of the agenda items have been agreed upon. Moreover, the political and military issue—an issue on which North Korea had long insisted—has been selected as an agenda item. Because of this, we can say that the relative possibility of realizing high-level North-South talks that feature the prime ministers as senior delegates is higher than for the other talks.

Also, since the high-level talks are given more weight by the North side, as well as our side under the assumption that all North-South dialogues must be conducted with a focus on talks between the authorities concerned, it seems that the position of both sides are somewhat in accordance with each other in relation to the preliminary talks for high-level talks.

Both Sides Give a Great Deal of Weight to Preliminary Talks for High-Level North-South Talks

However, in the fifth round of talks held on 31 January, the North Korean side came up again with the issues on suspending the "Team Spirit" joint military exercise and the removal of "the concrete barrier." As a result, the talks ended without any success because the North side refused even to discuss other issues. With regard to such a sudden change in the attitude of the North Korean side, observers see this as an indication that the North Korean side has lacked full and complete preparations for holding overall North-South talks. Nevertheless, some observers see it as a propaganda offensive against South Korea in connection with the "Team Spirit" military exercise.

The North-South sports talks are aimed at forming a single team for the Beijing Asian Games. Now, they are on the eve of rupture at their final stage because, although the 10-point basic issues—including the name, flag, and song of the North-South single team—were agreed upon by the two sides, the North Korean side refused our side's proposal to draft a written agreement on guaranteeing the implementation of these basic issues.

It is believed that the North Korean side assumed a positive attitude in the initial stage of the sports talks because it did not want to see the South Korean athletes putting up a good fight in various events in the games in Beijing, the front yard of North Korea. Also, the North did not want to see a South Korean boom being touched off in Beijing. Therefore, as it assumed the attitude of refusing, at the final stage of the talks, the supplementary rules for guaranteeing the implementation of the basic agreements, the North Korean side could not escape the suspicion that its aim was not to form a single team but to weaken the strength of our athletes.

Experts conclude that the North Korean side initially wanted to form a single team, but later felt uneasy about the full-dress exchange of large-scale sportsmen between the North and South. Such an exchange would have been anticipated during the period of forming a single team. Therefore, the North decided to participate in the Asian Games as a separate team while attempting to weaken

the athletic strength of the South Korean athletic team by dragging out the sports talks.

Personnel and Material Exchanges

In addition to such an analysis of the North Korean attitude toward the North-South sports talks and the preliminary meeting for talks between the authorities of the North and South, experts on North-South relations foresee that, while responding to various ongoing North-South talks, North Korea will continue to assume a negative attitude toward full-dress personnel and material exchanges between the North and South this year.

Experts believe that North Korea, which witnessed the political changes in East European countries last year, seems to have decided not only to prevent at any cost the wind of such political changes blowing into North Korea, but also to make all possible efforts to surmount its economic crisis and establish the foundation for Kim Il-song's power succession to his son. They also believe that the South side will put forward proposals for personnel and material exchanges with the North in a bid to induce North Korea to open its doors.

Last year, our government issued a guideline for North-South exchange and cooperation. Since then, the government has received a total of 39 applications for personnel exchanges with North Korea. Of these applications, the government has approved 21. According to one report, in addition to these applications, some 40 applications are now being negotiated with the government. Thus, the number of applications for personnel exchanges with the North will further increase. The material exchange with the North has been carried out indirectly through third countries.

In the material exchange between the North and South during the period from October 1988 to November 1989, the South side imported from the North a total of 63 items valued at approximately $21.4 million and exported to the North just one item valued at approximately $6,900. However, considering the fact that the North side has been reluctant to make public the material exchange with the South, it can be assumed that the volume of exports to the North have been greater.

The government is now seeking ways to further vitalize economic exchanges with the North, including the establishment of funds for North-South exchange and cooperation. Accordingly, we can expect material exchanges with the North through third countries to further increase. Nevertheless, it seems that direct North-South trade will be impossible for the time being, as in the case of personnel exchanges between them.

North-South Summit Talks Should Be Advanced

The possibility is high that North-South summit talks, which the government reportedly has been secretly advancing, can be realized dramatically after frequent mutual visits of high-ranking persons between the North and South. It can be assumed that preparations for such summit talks will be carried out in secrecy in light of the unique characteristics of North-South relations. Mutual visits of high-ranking people is an indispensable requirement for both sides to grasp in advance the real will and intention of the other side.

To realize mutual visits of high-ranking people, talks between high-ranking people from the North and South can be utilized. There already has been a preliminary meeting to discuss such talks. The senior delegates to the talks of high-ranking people naturally would be the premiers of the two sides. Therefore, if and when the talks succeed, the premiers would call on the head of state of the opposite side. Mutual visits by the premiers could play an important role in clarifying the position of the opposite side's head of state and in creating a favorable atmosphere for summit talks. Of course, there is the possibility that in addition to mutual visits by the premiers there could be mutual visits by people close to the heads of state.

Kim Chong-il May Appear in the Front

Such a case can be found in the fact that, just prior to the announcement of the 4 July North-South joint statement in 1972, Seoul sent Yi Hu-rak, the then director of the Central Intelligence Agency, to Pyongyang, and Pyongyang sent Pak Song-chol, the then-second vice premier, to Seoul. At that time, the partner of Director Yi Hu-rak was Kim Yong-chu, brother of Kim Il-song. But, he was soon replaced with Pak Song-chol. Yi Hu-rak and Pak Song-chol met with Kim Il-song and Pak Chong-hui respectively while they were visiting Pyongyang and Seoul. There, they conveyed the will of their respective leader to the opposite side. In other words, this was a case in which people close to the highest persons in authority met with the highest person in authority of the other side. However, the problem at present is who in North Korea today is the highest responsible person.

There is the possibility that Kim Il-song will not show up as the representative of the North side to North-South summit talks, under various excuses. Accordingly, there is the possibility that to cope with North-South summit talks, Kim Il-song will transfer the presidency to Kim Chong-il just before the summit talks are held. There is also a possibility that since he believes that Kim Chong-il's position is still unstable, Kim Il-song may use the summit talks to bolster Kim Chong-il's position by making him the North's representative at the summit talks.

Anyway, there is the possibility that North Korea will respond to our proposal for holding North-South summit talks depending on its internal situation. It is also possible that the summit talks can be advanced dramatically because the separatist factors in South Korea have been eliminated to the maximum following of the birth of a giant ruling party through the recent merger of the three political parties.

North-South Contacts 'Should' Be Open to Public

SK0303050890 Seoul TONG-A ILBO in Korean 2 Mar 90 p 2

[Editorial: "North-South Contacts and Principle of Publicity—Secret Contacts Without Any Principle Should Be Restrained"]

[Text] The basic task assigned to the Korean peninsula, where North and South Korea stand confronting each other militarily, is the establishment of durable peace. To this end, a North-South dialogue is required. Also, an agreement to lay the foundation for North-South coexistence while easing tensions on the basis of dialogue is an absolutely required task. No one can make a justifiable excuse for turning down efforts to reach this agreement.

We judge that the maintenance of a channel of secret contacts, the existence of which the government also has officially acknowledged, is understood by the people in this context. In view of the fact that we often see secret contacts between parties in hostilities, it is not strange that Prime Minister Kang Yong-hun should have testified at the National Assembly session that "it is common sense to have secret contacts in North-South relations on a case-by-case basis."

Furthermore, his remarks are regarded as natural in light of the importance of the government's proposal for immediately discussing the question of North-South summit talks and the issue of economic cooperation, the expression of willingness to discuss the problem of arms reduction, and ways for establishing durable peace on the Korean peninsula and for achieving North-South co-prosperity. In addition, the problem of the Korean peninsula has been officially a matter of direct concern to the United States and the Soviet Union. These circumstances at home and abroad make it more necessary to hold a direct dialogue between the North and the South.

Nevertheless, it is required that we correctly perceive the realities of the North-South dialogue which has been completely suspended by the North side under the excuse of the "Team Spirit" exercise. National aspirations for sending a single team to the Asian Games have been frustrated. Also, no progress whatsoever has been made in the humanitarian work of Red Cross to alleviate the pain of displaced families. Frankly speaking, we are suspicious of how and what secret North-South contacts contribute under the circumstances where official North-South dialogue has retrogressed. In reality, we cannot but raise this question in spite of the farsighted stand that any type of channel should be tolerated when it comes to North-South contacts.

Secret contacts initially assume the nature of being a provisional means of negotiation to attain a tangible goal. This notwithstanding, the government's secret contacts with the North give us the impression that they are ongoing. In addition, the report about our government official's observation of the Pyongyang festival and the rumor about a North Korean key figure's visit to Seoul make us wonder what was discussed in the course of secret North-South contacts. The people have the right to know of and criticize North-South affairs which have grave effects on the future of the country and the nation. We question whether the details of contacts have at least been explained to party leaders or government organs dealing with reunification matters, if such details cannot be open to everyone due to their nature.

The government should be aware that public opinion is taking issue with the government's approach toward North-South relations. Also, the people are confused with the reality in which the government has set forth one proposal after another while no progress has been made in North-South talks. Those specialists in North Korean affairs are still skeptical about the possibility of North Korea's opening of its doors.

Secret contacts with the North should be avoided, if possible. The government should explain to the people details of contacts which have been made with the North, through an appropriate channel. Efforts to improve North-South relations should be made with the knowledge of the people in the North and the South. The merit of our system is the principle of publicity. Although the principle of publicity is less efficient, it is the most democratic and safe. Therefore, we demand the principle of publicity in North-South dialogue.

Patience Needed To 'Ignite' Reforms in North

SK0603004090 Seoul THE KOREA TIMES in English 6 Mar 90 p 8

[From the "News in Review" column by assistant economic editor Kim Chum-tong: "Invasion Tunnel Discourages Seoul's Efforts To Promote Economic Ties With NK"]

[Text] The discovery of another invasion tunnel in the Demilitarized Zone (DMZ) appears to have put the brakes to the spreading mood for stepping up economic and technological cooperation with North Korea. The stunning news about the North Korean-dug underground tunnel, the fourth unearthed so far in the buffer zone dividing the two parts of Korea, came only two days after the Seoul government again expressed its willingness to promote commodities and resources trade, land development and construction of industrial plants.

With the hope that Pyongyang will follow in the footsteps of East European countries, many people recently suggested the necessity for positively approaching the North with proposals that are attractive and acceptable. The government reportedly plans to call on Pyongyang to resume the inter-Korean economic talks dead-locked since 1985 after only five rounds of meetings and private enterprises are prepared to actively push ahead with plans to increase trade exchanges and joint ventures.

But the tunnel bored by the North Koreans has dealt a hard blow to the people's aspirations for seeing Seoul and Pyongyang improve their relations as in the case of East and West Germany. It is yet to be determined when work on the fourth tunnel was begun and if reports that there might be some 20 more are true.

Anyway, the fact that the North has been digging underground passages as part of a deceitful Pyongyang policy comes as a disappointment to millions of southern people who plan to create a 300 billion won cooperation fund for economic exchanges between the South and North. Also shocked by the news were those who were working on an amendment to pertinent laws that would allow free visits across the DMZ and those who were ready to help Pyongyang join the Asian Development Bank, the World Bank and other international organizations.

The new tunnel gave a fresh lesson to the people who doubted there were other invasion passages that approaches toward the unpredictable North Korean leaders must be prudent and that any hasty moves must be prevented.

It is widely predicted North Korean leader Kim Il-song and his heir-apparent son, Chong-il, will feel the pressure to open the doors of the world's most isolated societies as a way of receiving capital and technology from abroad, especially from Western countries. But it is also predictable that the waves of perestroika and glasnost would be hard to penetrate the North. [as published]

It is necessary to try to add the fuel slowly with patience in order to ignite reforms in the northern half of the Korean peninsula, which has been governed by an ever-strong dictator for more than four decades. Careful economic steps are needed not to hurt the feeling and pride of and not to incite the authoritarian rulers in Pyongyang. What makes the two Kims feel most apprehensive is that political chaos might erupt once North Koreans realize that they lag far behind the South. There are lots of hurdles that should be cleared to promote direct trade exchanges with and to undertake joint ventures and investment in the North.

No outright hostility has existed between East and West Germany during the past 45 years since their division and the two sides have held numerous economic conferences, but they agreed on only one joint venture project—a Volkswagen auto plant.

Since North Korea approved a law on joint-ventures with foreign countries in 1985, merely 26 joint ventures were concluded. Among them, 19 are those invested in by pro-Pyongyang Korean nationals in Japan. Joint-ventures with the Soviets number three while the Chinese invested in two projects. One of the remaining two were invested in by a Korean national in the United States and the other by a French firm.

Debate Over Concrete Wall in Context of Detente

SK1902233890 Seoul HANGYORE SINMUN in Korean 15 Feb 90 p 6

[Editorial: "Controversy Over the 'Wall' Along the Truce Line and Detente"]

[Text] The United States and the Soviet Union have each issued statements concerning the question of the "barriers of the Korean peninsula" which Soviet Foreign Minister Shevardnadze referred to. The Soviet Union calls for "removing the concrete wall in the area along the Military Demarcation Line," while the United States contends that "there are no concrete barriers in the area south of the truce line, but there is a wall to check the advance of tanks." We feel that the United States and the Soviet Union seem to be arguing with each other in place of North and South Korea.

It has been reported that the Korean Foreign Ministry, which once viewed the "barriers on the Korean peninsula" mentioned by Shevardnadze as meaning a symbolic wall of distrust, and which welcomed his remarks, was disappointed by the fact that by the barriers he meant the "concrete wall." In connection with this, we note that the government authorities should push ahead with the "reunification policy" flexibly and farsightedly, and that they should refrain from being oversensitive to a minor issue.

The joint statement which U.S. Secretary of State Baker and Soviet Foreign Minister Shevardnadze issued on 10 February after their talks in Moscow is of great significance, in that the United States and the Soviet Union both supported detente on the Korean peninsula and North-South dialogue. The reason is that the United States and the Soviet Union, the two parties responsible for the division of the Korean peninsula, officially referred to the problem concerning the peninsula for the first time and in particular, that the Soviet Union clarified its basic stance toward the problem.

In recent months, the Soviet Union has notably expanded exchanges with Korea, including unofficial trade and the establishment of consular relations. IZVESTIYA, the organ of the Soviet Government, predicted that "Korean-Soviet relations will ultimately lead to complete diplomatic relations." Also, a high-level official of the World Economies and International Relations Institute of the USSR Academy of Sciences has made noteworthy remarks hinting at a change in the Soviet policy toward the Korean peninsula. He has stated that the establishment of diplomatic relations between the Soviet Union and Korea is just a matter of time; the alliance between the Soviet Union and North Korea has changed in quality; the Soviet Union does not object to Korea's separate entry into the United Nations; and the improvement of Korean-Soviet relations is not linked to the speed of improvement of relations between North Korea and the United States and between North Korea and Japan.

It is worth noting that the joint statement was issued after the talks between the two foreign ministers to prepare for the June U.S.-Soviet summit talks. We cannot rule out the possibility that the problem concerning the Korean peninsula will be discussed in depth at the U.S.-Soviet summit talks and that significant moves to ease tension will follow.

The government authorities should not commit the folly of distorting the main trends by clinging to a wasteful "debate over the barriers."

Prevention of North-South Arms Race Urged

SK2702060290 Seoul HANGYORE SINMUN in Korean 27 Feb 90 p 6

[Editorial: "The Way To Block the North-South Nuclear Arms Race"]

[Text] In testimony a few days ago before the Subcommittee for Asian and Pacific Affairs of the U.S. congressional Foreign Affairs Committee, Richard Solomon, assistant secretary of state for East Asian and Pacific affairs, made some noteworthy remarks. Solomon told the panel that since there is no change in North Korea's military power, reducing the nuclear deterrent is not appropriate.

As far as nuclear weapons are concerned, the United States has so far maintained the policy of neither confirming nor denying having them. However, it is quite natural for us to infer that the "nuclear deterrent" mentioned by Assistant Secretary Solomon includes nuclear weapons deployed in South Korea. His remarks can be construed as an indirect acknowledgement of deployment of U.S. nuclear weapons in South Korea.

The fact that U.S. nuclear weapons are deployed in South Korea has been a "secret" that people have known for a long time. Peter Hayes, director of the U.S. Nautilus Research Institute for Pacific Affairs [name as published], revealed that the "nuclear operations planning unit"—a unit he discovered in the telephone directory of the U.S. 8th Army in South Korea—has a mission that includes analyzing the targets of nuclear attack, working out a nuclear firing plan, and preparing nuclear plans in an emergency. This proves that there are nuclear weapons in South Korea. Hayes also presented the names of bases in South Korea where nuclear weapons are stored and even the number of nuclear bombs.

This being the case, at whom is the South Korean nuclear deterrent aimed? The nuclear deterrent means the nuclear retaliatory offensive capability aimed at deterring a preemptive attack by the other side. Therefore, it is believed that the target of a nuclear deterrent in South Korea is not North Korea but the Soviet Union and China, both of which possess a large nuclear capability.

However, Assistant Secretary Solomon stated that the nuclear deterrent should not be reduced because there is no change in North Korea's military power. It is not clear whether his remarks pointed to North Korea's conventional military power or to its nuclear weapons. His remarks that the nuclear deterrent will be maintained against North Korea, which is known not to have nuclear weapons, lack logical persuasiveness. Unless the United States amends its strategy of deterring North Korea's military power with nuclear weapons, the undesirable result of leading North Korea to developing nuclear weapons may be brought about. We are concerned about this. If nuclear disposal facilities which are reported to be under construction in Yongbyon, North Korea, are related to strengthening military power, the problem is very serious.

We do not want to see a nuclear arms race between the North and the South of Korea. In order to prevent such a situation from taking place, the United States should withdraw its nuclear weapons from South Korea. On the other hand, North Korea should promptly join the security agreement on atomic power to clear international suspicions that it is developing nuclear weapons.

Trade With East Bloc Increases 15 Percent

SK0603020090 Seoul THE KOREA HERALD in English 6 Mar 90 p 6

[Text] Korea's trade with the East bloc nations in 1989 totaled $4,220 million, up 15 percent from 1988 and 102 percent from 1987, the Economic Planning Board said yesterday.

The 1989 trade figure accounted for 3.4 percent of Korea's total trade volume in the year, also up from 2.4 percent of 1987 and up 3.3 percent from 1988, the board officials said.

But Korea's trade balance with the East bloc countries in 1989 was about $300 million in red ink.

Exports to the East bloc areas, mostly to China and the Soviet Union, amounted to $1,960 million, a 1.9 percent fall from 1988.

But imports from the countries shot up 35 percent to $2,258 million.

Trade with the Soviet Union, in reflection of fast improving relations between the two countries, increased 107 percent in the year to $599 million.

Trades with East European nations such as Poland, Hungary and Czechoslovakia in 1989 totaled $388 million, up 81 percent from 1988 and up 162 percent from 1987.

Trades with China rose 1.8 percent in 1989 to $3,142 million.

Productivity of State-Run Companies Reported

SK0703063890 Seoul YONHAP in English 0507 GMT 7 Mar 90

[Text] Seoul, March 7 (YONHAP)—South Korea's 24 state-run companies had net profits of 1.82 trillion won (2.62 billion U.S. dollars) last year, the Economic Planning Board (EPB) reported Wednesday.

Turnover aggregated 16.87 trillion won (24.27 billion dollars), up 6.4 percent from 1988, while profits slipped 6.6 percent from 1.948 trillion won, the EPB report said.

It said Korea Electric Power Corp. (Kepco) and Korea Telecommunication Authority (KTA) swept 60 percent of the profit with 1.074 trillion won (1.55 billion dollars), raising hopes that electric and telephone charges may drop this year. Kepco was the top profitmaker with 766.12 billion won (1.102 million dollars), followed by KTA (310.69 billion won), Korea Land Development Corp. (198.7 billion won), Korea Tobacco and Ginseng Corp. (126.07 billion won) and Industrial Sites and Water Resources Development Corp. (118.66 billion won).

In contrast, deficits were reported by Daihan Coal Corp. (4.99 billion won or 7.18 million dollars), Korea Labor Welfare Corp. (2. 46 billion won), Korea Agricultural Development Corp. (2.04 billion won) and Korea Overseas Development Corp. (118 million won).

Government Refuses To Recognize May Day

SK0703063490 Seoul YONHAP in English 0503 GMT 7 Mar 90

[Text] Seoul, March 7 (YONHAP)—The Labor Ministry has rejected an appeal by South Korean labor organizations for May Day to be reinstated as a paid holiday starting this year instead of March 10, which is designated as "workers' day" by the government. In a meeting Tuesday [6 March] to review union calls for a revival of May Day, banned in the mid-1950s by the Syngman Rhee government, the ministry decided to reject the request on the ground that "competitive demonstrations and strikes are expected among different labor unions."

The government says it is forbidden to observe May Day to prevent leftists from exploiting it for propaganda and agitation purposes. A ministry official said, "The revival of May Day cannot be considered in a situation when radical labor movements are emerging. The government will push ahead with the scheduled events commemorating Workers' Day on March 10."

The Korean Federation of Labor Unions and the outlawed National Labor Unions' Council have pushed for a revision of the law to revive May Day.

Despite the ministry's decision, the labor organizations vowed to go ahead with events to mark May Day, which could bring confusion among workers as well as controversy over the paid holiday. The government encourages companies to follow a "no work, no pay" policy.

Chong's Bid for Assembly Seat 'Challenge' to No

SK0703005090 Seoul THE KOREA TIMES in English 7 Mar 90 p 2

[By staff reporter Sin Hak-nim]

[Text] President NO Tae-u and his friend Chong Ho-yong are rushing toward a showdown again in the parliamentary by-election in a Taegu district early next month. For a "proxy war" against Chong, No instructed Mun Hui-kap, senior secretary for economic affairs, to run in the upcoming election in the So (west)-A district of Taegu. The ruling Democratic Liberal Party [DLP] officially announced yesterday that Mun has been chosen as the party nominee.

At first, Mun was reluctant to run in the by-election. But he had to follow No's instruction after realizing that President No was determined to politically ostracize Chong, his classmate at high school and the Korea Military Academy. After meeting with No several times, Chong was forced to leave the National Assembly late last year to pave the way for No to agree with the opposition on the settlement of "Fifth Republic questions."

Chong was special warfare commander at the time of the 1980 Kwangju bloodshed and three airborne brigades under his command were dispatched there to help put down violent civilian protests. He later served as an Army chief of staff and home and defense ministers in the Chon Tu-hwan government. Chong's jump into the by-election would provide the opposition with material to attack No's party. For that reason, No apparently hoped that Chong would give up his ambition for a political comeback. Senior administration officials were sent to Taegu to relay the President's message.

With the merger of No's Democractic Justice Party and two opposition parties last month, however, Chong was learned to have decided to run in the election as an independent. He announced last Friday that he was leaving the DLP to run as an independent. A DLP lawmaker backing Chong said that the relations between No and Chong had now crossed a "bridge of no return."

A DLP officer interpreted No's decision to field Mun, one of his key aides, in the Taegu by-election as a move turning his back on his friend. "Our party will no longer seek to persuade Chong to give up his intention to run in the by-election," said the DLP officer. He branded Chong's move to run in the election as "challenge to the authority of the President."

He went on, "If our party failed in the election in Taegu, the powerbase of No, it would be a great humiliation for the President and our party. Therefore, our party will have to leave no stone unturned."

Chong, for his part, must have thought that the DLP will field a "man of big caliber" to defeat him. He has prepared for it, meeting with his supporters in Taegu.

Mun graduated from the same high school as President No and Chong. How much No trusts Mun was evidenced by the elevation of his status to ministerial level last year. Mun, a strong advocate of economic reforms, is regarded as one of the potential candidates for deputy premier-economic planning minister. Mun is also from Talsong county adjacent to Taegu, home city of N and Chong. No may have considered these points in deciding to field Mun for the upcoming by-election.

As to the results of the election, a DLP lawmaker who supports Chong predicted that he will be defeated in the long run, though he enjoys support from a considerable number of citizens there. "When the election campaigns begin, the DLP will demand voters in the Taegu district choose either President No or Chong," another DLP officer said.

Under these circumstances, Chong will have to wage an uphill battle with President No. That is the reason why some DLP lawmakers still expect that Chong will give up midway though his aides ruled out that possibility.

It is ironic that the opposition Party for Peace and Democracy led by Kim Tae-chung which had spearheaded the move to expel Chong from the Assembly hopes that Chong will defeat the DLP nominee, dealing a vital blow to the large ruling party. The PPD has few supporters in Taegu. Whether it will also field a candidate in the reelection is the next question.

Reported Attacks on Offices, Institutions

SK0703022290 Seoul THE KOREA HERALD in English 7 Mar 90 p 3

[Text] Government and private offices, including foreign institutions, were attacked some 260 times during the past year, according to the National Police Headquarters (NPH). The NPH has stationed a total of 1,412 guards at 121 facilities to prevent public attacks, including some 300 at Paektam Temple where former President Chon Tu-hwan and his wife are in seclusion.

In a report to the National Assembly yesterday, the NPH said government offices, including the ruling and opposition party headquarters, were attacked by students or other dissidents 186 times in 1989 while private companies were subject to sit-ins and public rallies 75 times during the year.

Statistics also showed 13 raids against foreign institutions, such as five firebomb attacks at U.S. military bases, occupation of the official residence of the U.S. ambassador and three demonstrations at Japanese agencies, according to the NPH. Seoul recorded the highest number at 83, followed by Chollanam-to with 73, Kyonggi-to 41 and Pusan 27.

Police stations were the most common target by student protesters using firebombs with 117 recorded incidents. Headquarters and district chapter offices of the former ruling Democratic Justice Party were hit 60 times during the year.

Officials said there were also 20 attacks against court and prosecution offices, reaching a peak when arrests and trial hearings were in progress against the Rev. Mun Ik-hwan and coed Yim Su-kyong, both sentenced to long jail terms for unauthorized trips to north Korea.

Ruling and opposition party offices were partly occupied by demonstrators for days, most notably by farmers groups protesting the opening of the domestic agricultural market to foreign countries and demanding stabilization of down-spiralling staple prices.

Anti-U.S. sentiments were causes of attacks against American military bases, as well as the 50-minute occupation last October of U.S. Amb. Donald Gregg's residence by six students, the NPH said. The Kwangju USIS, a target of frequent attacks by militant students, remains closed. Security around the American Embassy also remains heavy.

The three reported raids against Japanese offices were by workers demonstrating against the alleged "illegal" shutdown of Japanese firms' factories in Korea.

The NPH has stationed 610 guards at 23 government offices, 502 at party offices and major party leaders' homes and 300 others at Paektam Temple, officials said. Opposition lawmakers charge that the national police have neglected the protection of ordinary homes from knife-wielding robbers as they have been preoccupied with containing antigovernment protests.

Government officials worry that radical students might step up demonstrations against the merger of the ruling and two opposition parties this spring.

'Operational Control' Transfer To Be Considered

SK0703073390 Seoul YONHAP in English 0702 GMT 7 Mar 90

[Text] Seoul, March 7 (YONHAP)—The United States has suggested that operational control of the South Korean Armed Forces could be transferred to Korea in peacetime, the Korean Defense Ministry reported Wednesday. The ministry, in a report to the National Assembly Defense Committee, said it will affirmatively consider the U.S. proposal, under which operational

control would revert to the commander of the Korea-U.S. Combined Forces Command (CFC) in case of war.

The U.S. suggestion will be affirmatively reviewed in a way to minimize problems likely to arise from the wartime transfer of operational control, the report said. "From a purely military point of view of the defense of the Korean peninsula, a unitary system of operational control is more desirable, but the current unitary system leaves much to be desired for South Korea as a sovereign state," the report said.

Operational control is a major element of discussions between Korea and the United States regarding a possible change in the status of the 43,000 U.S. troops stationed in Korea. The two nations basically agreed last month, during a visit by U.S. Defense Secretary Richard Cheney, to gradually downscale the U.S. presence and increase Korea's contribution to the cost of stationing U.S. troops. Transfer of operational control was discussed during Cheney's visit, but the two sides have yet to reach an agreement.

U.S. College To Participate in Korsat Project

SK0703090990 Seoul YONHAP in English 0849 GMT 7 Mar 90

[Text] Seoul, March 7 (YONHAP)—The Korea Advanced Institute for Science and Technology (KAIST) and Weber State College of the United States have agreed to cooperate on a project to develop and launch "Korsat," an experimental low-earth-orbit satellite, in three years, a KAIST spokesman said Wednesday. The state-run institute and the college swapped a memorandum of intent last month that named Professor Na Chung-ung of KAIST and Professor Robert Twigg, a director at Weber, to coordinate the joint research, he said.

Weber will work with KAIST in development, production, assembly, launching and other fields to put Korsat into orbit. They will also exchange experts and information and work on a scheme to send satellites to the moon and other projects.

The Ogden, Utah, college launched "Weber satellite" in January to transmit the signals of radio hams.

Brunei, Malaysia & Singapore

Malaysia

Further Reportage on 'Arafat's Three-Day Visit

'Arafat on 'Zionist Regime'

BK0603140390 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 6 Mar 90

[Excerpts] Malaysian Prime Minister Dr. Mahathir Mohamed today criticized certain groups inside and outside the country which claim to champion human rights but do not condemn the cruel acts of the Tel Aviv regime toward the Palestinians. [passage omitted]

The speech made by the president of the state of Palestine was echoed by the shouts of God is great.

[Begin 'Arafat recording in English] We are not against the Jews. [end recording].

'Arafat said that the Palestinian people are not struggling against the Jews but are opposed to the Zionist regime.

[Begin Arafat recording in English, in progress] ...zionism, colonialism, and neo-colonialism. [applause] For this, as you know my brothers, we had declared our peace initiative. We had declared our peace initiative so that we can live peacefully as all over and as all other people are living all over the world. Peacefully, freely in the land of peace in [word in Arabic] in Palestine. Long live Malaysians! Long live Palestinians! Long live Palestinians! Long live Palestinians! Long live friendly, brotherly Malaysian-Palestinian relations! Thank you! Thank you! Thank you! Thank You! [applause] [end recording]

King Supports West Asia Peace Talks

BK0703064590 Kuala Lumpur International Service in English 0600 GMT 7 Mar 90

[Text] Malaysia rejects the recent announcement from Tel Aviv to expand its border through the settlement of Soviet Jews in the occupied territory. His majesty the king, Sultan Azlan Shah, said this is in complete contravention of the Fourth Geneva Convention 1949, which prohibits the occupying power from settling the occupied territory with persons not belonging to the local population. Malaysia also rejects any attempt to legalize such settlement.

His majesty, speaking at a reception in honor of the president of the state of Palestine, Yasir 'Arafat, at the National Palace, said the question of the rights of the Palestinians remain the core of the West Asian problem. His majesty also said Malaysia fully supported the convening of the International Conference on Peace in West Asia under the auspices of the United Nations as it would serve the interests of all concerned. Malaysia will continue to take every effort to bring about concrete international actions for a just solution to the Palestinian problem.

President 'Arafat, in his speech, expressed the Palestinian people's appreciation for the [words indistinct] role played by Malaysia and regional and international efforts in support for the struggle of the Palestinian people.

'Arafat Departs 7 Mar

BK0703105690 Kuala Lumpur BERNAMA in English 1005 GMT 7 Mar 90

[Text] Kuala Lumpur, March 7 (BERNAMA)—Yasir 'Arafat, president of the Palestinian state, ended his three-day whirl-wind visit to Malaysia Wednesday [7 March] to strengthen the already close ties between the Palestinian people and Malaysians. The Palestine Liberation Organisation (PLO) leader was last in Malaysia in July, 1984 but this was his first visit as president of the symbolic Palestinian state declared by the Palestinian government-in-exile in Algiers on Nov 15, 1987.

On his first day of the visit, 'Arafat held a two-hour meeting with Malaysian Prime Minister Dr Mahathir Mohamed during which the two leaders discussed a wide range of issues including the expected emigration of about 200,000 Soviet Jews to Israel. 'Arafat expressed concern over the exodus and said that the PLO will oppose the transfer of Soviet Jews to the occupied territories. He said the United Nations Security Council would possibly convene a special meeting either during the middle or end of this month to discuss the matter.

At the same time, Dr Mahathir proposed that the MALAYSIAN NATIONAL NEWS AGENCY (BERNAMA) enter into an arrangement with the PALESTINIAN NEWS AGENCY (WAFA) to enable Malaysians to get an unbiased report on the Palestinian struggle. Both leaders agreed that the link-up between BERNAMA and WAFA was one of the ways Malaysia could assist in furthering the Palestinian cause.

'Arafat said about 57,000 Palestinians had been wounded and 6,500 more maimed in the uprising which had resulted in a loss of about U.S. 2.3 billion [dollars] to the Palestinian economy.

A Malaysian-Palestinian unity rally attended by 10,000 Malaysians, including cabinet ministers, was the highlight of his second day programme. At the rally, he vowed to continue the Palestinians' struggle through the 27-month long uprising, or "Intifada," in the occupied territories until Israeli rule was ended, and an independent Palestinian nation was created. Dr Mahathir criticised Western nations and human right groups for their hypocrisy and double standards in refusing to condemn the Zionist oppression of the Palestinians. The most touching moment that summed up the sentiment was perhaps when a plucky 12-year-old daughter of a bread

vendor breaking through tight security presented a bunch of flowers to the PLO leader as the crowd roared in applause.

'Arafat visited the Malaysian historic city of Melaka before having an audience with the yang di-pertuan agong (the Malaysian king) Wednesday.

His majesty said that Malaysia rejects Tel Aviv's plan to establish a "greater Israel" through the settlement of Soviet Jews in the occupied territories.

He left Malaysia today.

Singapore Deputy Premier Arrives for Visit

BK0703065690 Kuala Lumpur International Service in English 0600 GMT 7 Mar 90

[Text] Singapore Deputy Prime Minister Goh Chok Tong has arrived for a one-day official visit to Kuala Lumpur. Mr. Goh, who is also Singapore defense minister, is accompanied by an eight-member delegation. He is scheduled to call on Prime Minister Datuk Sri Dr. Mahathir Mohamed later today.

Calls on Mahathir

BK0703113990 Singapore Domestic Service in English 1100 GMT 7 Mar 90

[Text] The first deputy prime minister, Mr. Goh Chok Tong, has called on the Malaysian prime minister, Datuk Sri Dr. Mahathir Mohamed in Kuala Lumpur. He was accompanied by Malaysian Defense Minister Tengku Ahmad Rithauddeen during the meeting.

Mr. Goh who is also the defense minister, is in Malaysia for a two-day official visit. He was met by the deputy defense minister, Datuk Abang Abu Bakar Mustapha, on arrival at Subang Airport earlier.

Visiting Fijian Minister Views Trade Expansion

BK0503063290 Kuala Lumpur BERNAMA in English 0603 GMT 5 Mar 90

[Text] Kuala Lumpur, March 5 (BERNAMA)—Fiji is seeking more Malaysian investments and also to expand trade between the two countries, said its Trade and Commerce Minister Berenado Vunibobo here Monday [5 March].

Vunibobo, who is here on a five-day visit which began on Saturday, said investments from Malaysia had already made a presence in his country, particularly in the garment and hotel industries, but he felt there were still more areas to explore.

Trade between the two countries now centerd on Malaysian import of sugar from Fiji at 110,000 tonnes a year, while Fiji's import of Malaysian product was negligible.

To correct the imbalance of trade, Fiji was thinking of importing palm oil from Malaysia, Vunibobo said after calling on Finance Minister Daim Zainuddin.

He said bilateral trade could now see further growth with additional shipping service which would begin soon from Singapore to Fiji via Papua New Guinea.

The Fijian minister felt that efforts to increase bilateral trade should be explored in line with Malaysian Prime Minister Dr. Mahathir Mohamed's call for South-South co-operation to make developing countries less dependent on the developed countries.

He said Malaysia had played a role in helping Fiji by providing aid for two Fijians to study at the International Islamic University here.

"Unofficially, I have requested the Malaysian Government to offer more training opportunities for Fijians, especially in the handicraft industry here which I have found impressive," he said.

Vunibobo had earlier visited Hong Kong and Singapore.

Cambodia

Radio Reports Forces' Recapturing of Svay Chek

BK0703063090 Phnom Penh Domestic Service in Cambodian 0430 GMT 7 Mar 90

[Text] Svay Chek is located along Route 69 in Thmar Puok District northeast of Banteay Meanchey provincial seat. Svay Chek is a hot battlefield. At present, our armed forces are firmly controlling Svay Chek. The comrade deputy commander of the 6th Division said that the division seized control of Svay Chek at 1330 [0630 GMT] on 23 February 1990. We killed 37 enemy soldiers, wounded 52, and forced two others to surrender. We seized 35 assorted weapons and a large quantity of documents and war material. The comrade added that we could recapture Svay Chek because our cadres and combatants were very responsible for their tasks, strictly respected army discipline, and had valiant combat spirit, daring to fight fiercely and relentlessly against the enemies.

KPNLF Fears Vietnamese Attack at Thmar Puok

BK0703034890 Hong Kong AFP in English 0328 GMT 7 Mar 90

[By Michael Adler]

[Text] Aranyaprathet, Thailand, March 7 (AFP)—Cambodian troops spearheaded by elite Vietnamese soldiers are poised for an attack which will almost certainly drive non-communist guerrillas from the last two towns they hold in northwest Cambodia, a guerrilla spokesman said. Spokesman Ok Serei Sopheak of the Khmer People's National Liberation Front (KPNLF) said Tuesday [6 March] this could mark a "suspension" of his group's control of territory in Cambodia since September and bring forces of the Hanoi-backed Phnom Penh regime into artillery range of a refugee camp in Thailand housing 140,000 Cambodians. The KPNLF was the first of the three allied guerrilla factions, which

include former fanatic Marxist rulers the Khmer Rouge, to advance against Phnom Penh after over a decade of war. The Khmer Rouge and the non-communist army of former monarch Prince Norodom Sihanouk have also seized territory in the northwest. This has led to an offer from Phnom Penh for the two warring sides to rule together but each runs the sector under its control.

Mr. Sopheak said the looming offensive could change this. "A territorial war has no sense now," he said about the non-communists' inability to stand up to the greater firepower of Phnom Penh and Vietnamese troops. China backs all three guerrilla factions but favors the Khmer Rouge. Mr. Sopheak was reiterating guerrilla claims that Vietnamese "Bo Doi" infantry were still in Cambodia despite an announced military withdrawal in September. The claims have not been independently confirmed and are denied by Hanoi. Mr. Sopheak said some 4,000 Vietnamese soldiers were ready to attack "at any moment" near Thmar Puok, the main town in the some 2,100 kilometer (756 mile) square area seized by the KPNLF in September. "We cannot adopt a static defense. The people will suffer," he said, warning that 60,000 people now under KPNLF control in Cambodia would be helplessly caught in artillery duels and skirmishing. "There have been few casualties for soldiers. It is the civilians who will suffer," Mr. Sopheak said of a war marked by much shelling but little direct combat.

Western diplomats estimate casualties for the guerrillas and Phnom Penh as under 100 dead and 500 wounded for each side since September. The diplomats were pessimistic about the future of the two non-communist guerrilla forces, the KPLNF and National Sihanoukist Army (ANS). "For a start, they have weak organization and weak leadership and they are short of materials and ammunition," one diplomat said. But he said Phnom Penh's army was even worse and could not stand up to either non-communist force without Vietnamese backing. Mr. Sopheak said the guerrillas would, if attacked, change to "mobile tactics." "We will defend, but we will not stay in Thmar Puok," he said. Thmar Puok, where some 8,000 people live in large bamboo houses, and smaller Banteay Chmmar, are both about 20 kilometers (12 miles) east of Thailand and 400 kilometers (240 miles) northwest of Phnom Penh. The KPNLF fighters lost their other key site, Svay Chek, in February to an attack Mr. Sopheak said amassed the greatest firepower yet in the war since Vietnamese troops invaded in 1978 to topple the Chinese-backed Khmer Rouge. Svay Chek, the southernmost point in a north-to-south 40 kilometer (24 mile) axis along National Road 69 from Banteay Chmmar to Thmar Puok to Svay Chek, was taken in December. It was the KPNLF's point of furthest advance in their drive on the provincial capital of Sisophon.

Mr. Sopheak said the tide has now turned since the KPNLF is outgunned and outsupplied by the Soviet-supplied Phnom Penh and Vietnamese forces. They have some 15 BMD-21 truck-mounted multiple rocket launchers. The rocket launchers can fire up to 40 rockets simultaneously as far as 12 kilometers (eight miles). The Phnom Penh forces are also armed with 130mm artillery, which have a range of 15-17 kilometers (9-11 miles), he said. In addition, Phnom Penh has 20 tanks facing the KPNLF. These will be driven by Vietnamese drivers with elite 10-man commando Vietnamese teams riding outside to jump off and set up machine-gun positions alongside the tank columns, Mr. Sopheak said. He said the tactics were hard for the KPNLF to counter since blanket artillery shelling, against which the guerrillas had no defense, preceded the tank attacks. The guerrillas are well-supplied with anti-tank weapons but enemy artillery keep them from getting close enough to use them, Mr. Sopheak said.

Sihanouk Says Only Thailand Can Help Cambodia

BK0603012590 Bangkok BANGKOK POST in English 6 Mar 90 pp 1, 3

[By Phichai Chunsuksawat]

[Text] Phum Sereipheap, Cambodia—Thailand, as a "number one peacemaker", should organise a meeting of ASEAN, Chinese and Vietnamese foreign ministers to try to resolve the Cambodian conflict, Prince Norodom Sihanouk said yesterday. Such a meeting could "impose" a solution on the four warring Cambodian factions, the prince said, adding that he would be prepared to accept the imposed solution even if it differed from his. Speaking for the first time since last month's Jakarta talks which ended in failure, the prince also described the Paris conference on Cambodia as "useless."

In an interview with a group of journalists in a village located in a Sihanoukist "liberated Zone" about a kilometre opposite Kap Choeng of the Thai province of Surin, the prince said "only Southeast Asia can solve the Cambodian problem." Sihanouk said he saw Thailand as the only nation that could play a key role in preventing the "Khmer Rouge, Vietnam and Hun Sen from choosing a military solution" following the failure of the Jakarta talks. "I have another solution. I think that Thailand, she is really number one in the peace process. Only Thailand can oblige the "unreasonable ... and bad" Cambodians. He said since Thailand had a "pro-Hun Sen and pro-Vietnam lobby", it could exercise influence over Hun Sen and Vietnam to accept a compromise. "On the other hand, the Cambodian resistance cannot survive" if its arms supply lines were cut by Thailand, he said.

Despite initial optimism, the Jakarta talks failed when Vietnam and the Khmer Rouge reverted to old intractable positions. Vietnam demanded that the word "genocide" be included in the draft agreement which was vetoed by the Khmer Rouge. The prince said Vietnam, the Soviet Union and China "respect" Thailand, adding that Prime Minister Chatchai Chunhawan and Army chief Gen (General) Chawalit Yongchaiyut were "very influential." Gen Chatchai and Gen Chawalit have said on a number of occasions, however, that the Cambodian problem is a matter for the Cambodians to settle among

themselves. But the prince said it would be in Thailand's interest to have a stable and peaceful Cambodia. "Thailand has the interest and can persuade and force the mad Cambodians who are killing with joy. Thailand, only Thailand can save Cambodia. "That is why I am here (in Samrong district of Oddar Meanchey province across the Thai border). I don't want to be separated from Thailand. I bet on Thailand," he said.

As the "number one peacemaker", Thailand should organise an informal and discrete meeting in Bangkok to resolve the 11-year-old conflict. He said ASEAN, Chinese and Vietnamese foreign ministers should meet to "try again" to make China and Vietnam "closer." "It is the only way to solve the problem. Then you can impose the solution on the Cambodians. They will obey. They are not in a position to say 'no'," Sihanouk said. The prince noted that Gen Chawalit had played a key role in the latest Sihanouk-Hun Sen meeting held in Bangkok before the Jakarta talks. Sihanouk described the Bangkok meeting as lacking substance. "You have two foxes, an old fox named Sihanouk and a young fox named Hun Sen. They agreed to disagree so it is just theatre. He said Hun Sen was an amateur while he was a profesional, but conceded that Hun Sen was learning. The prince was quick to add that he was not teaching Hun Sen to act.

"It is just theater to please you (the press), there is no substance," he said referring to the Bangkok talks. But Sihanouk said the positive tone of the joint communique was "the only substance" that "came from Gen Chawalit", referring to the agreement that a UN role was essential and that a supreme national body be formed. The prince said his original draft only thanked Thailand for having organised the meeting and that both men agreed to meet again because the talks took place in an atmosphere of "great friendship" which "meant nothing." "This alarmed Gen Chatchai's policy advisers who feared that bad press would result from a communique which lacked substance." Sihanouk said the advisers then called on Gen Chawalit to intervene. The prince said Gen Chawalit spent two minutes with him and one hour with Hun Sen before the final communique could be singed and released. The prince said he still believed that a long lasting solution to the conflict was power-sharing among the four warring factions, adding that he would continue to "demand it" otherwise there "will be no peace." "But the key is in Bangkok," he said repeatedly during the interview. "Even if they (ASEAN, China, Vietnam and the four factions) find a solution different to mine, I will accept it. The other factions will not be able to reject it."

Asked what should be Thailand's primary role if such a meeting really took place, Sihanouk said: "Thailand might say to the Khmer rouge and the resistance that we can cut their supply lines—so they are finished. But Thailand should also persuade the Soviet Union and Vietnam to stop helping Hun Sen." The prince described as "unrealistic" the call by the West to exclude the Khmer Rouge from the Cambodian solution. "You cannot get rid of the Khmer Rouge. You may be able to get rid of them in your (newspaper) articles but you can't get ride of them on the ground. "If you decide by doing so, you are being unreasonable and you eliminate yourselves from the countries who can solve the problem," he said. He added: "This means in my mind that the United States, the Soviet Union, France have no possibility to a viable, valuable, effective and concrete contribution towards solving the problem."

Asked if his comments reflected his belief that the five permanent members of the United Nations Security Council should forget about Cambodia for a while, the prince said: "One must not be more royalist than the king. The West is so far, so far away from Southeast Asia and you should not disturb us with your ideas. Asked if by proposing that Thailand organise a regional meeting he believed that another Paris conference on Cambodia would be useless, the prince said that he "loves France" but as far as Cambodia was concerned "it is useless."

AFP Says Japan Renews Support for Sihanouk

BK0703051290 Hong Kong AFP in English 0458 GMT 7 Mar 90

[Text] Bangkok, March 7 (AFP)—Japan has renewed its support to Cambodian guerrilla leader Prince Norodom Sihanouk, the prince's office said here Wednesday [7 March]. The move came with the visit Tuesday of a team of Japanese diplomats to the prince in a guerrilla-controlled area in northern Cambodia where he is staying, a statement said.

Japan is the only major non-communist country to formally recognize a guerrilla coalition joining the Chinese-backed Khmer Rouge with followers of Prince Sihanouk, Cambodia's former monarch, and former Prime Minister Son Sann against the Vietnam-installed Cambodian Government. But a Japanese diplomat visited Phnom Penh last month for talks on Cambodia with officials of the Phnom Penh government, which was set up in January 1979 in the wake of an invasion of the Southeast Asian country by Vietnamese troops seeking to topple a Khmer Rouge regime. The visit to the Cambodian capital by Masaharu Kohno, the head of Tokyo's Foreign Ministry's Southeast Asia Division, was the first by a Japanese government official since 1975, when the Khmer Rouge seized power from a U.S.-backed government. The Khmer Rouge, which is blamed for killing hundreds of thousands during its nearly four year fanatical Marxist rule, now forms the military backbone of the anti-Phnom Penh guerrilla coalition. The alliance holds Cambodia's seat at the United Nations but is not recognized by Western countries other than Japan because of the human rights record of the Khmer Rouge.

In its statement, Prince Sihanouk's office here said the Japanese delegation that visited the prince had "reiterated the support of its government" to his policies in his "search for peace in Cambodia." The delegation which had a meeting with the prince in the village of

Sereipheap, near Thailand's border province of Surin, was led by Tadashi Ikeda, the head of the Japanese diplomatic mission attached to the anti-Phnom Penh coalition, the statement said. It also included Yukio Imagawa, a Cambodia specialist with the rank of minister in the Foreign Service, First Secretary Hiroshi Inomata and military attache Colonel Eiki Watanabe, it said. The statement noted that the team was the second diplomatic delegation to visit Prince Sihanouk since he returned to live in Cambodia, following a visit from Chinese diplomats. Prince Sihanouk, 68, ended years of exile on February 28 when he crossed the Thai border to head for Sereipheap, a site located about 10 kilometers (six miles) from the border.

'Text' of Khieu Samphan Speech in Jakarta

BK0703100190 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 6 Mar 90

["Full text" of speech by Khieu Samphan, vice president of Cambodia in charge of foreign affairs, at Informal Meeting on Cambodia in Jakarta on 27 February—read by announcer]

[Text] Your Excellencies Cochairmen; Their Royal Highnesses; Excellencies; Ladies and Gentlemen:

First of all, I would like to express once again, on behalf of my delegation, our deepest gratitude to His Excellency Suharto, president of the Republic of Indonesia, and to the government and people of Indonesia for their active and noble support and assistance to our Cambodian people in their just struggle waged under the leadership of the Cambodian national government and its leader, President of Cambodia Samdech Norodom Sihanouk, for national independence, freedom, and Cambodia's survival. I would like to express sincere and heartfelt thanks for the warm reception given us during our participation in the Informal Meeting on Cambodia in Jakarta which is being held within the framework of the Paris international conference on Cambodia. I would also like to again thank His Excellency Ali Alatas, cochairman of the meeting, who reaffirmed to me in his letter dated 8 February 1990 that this Jakarta meeting would be held within the framework of the Paris international conference on Cambodia and in line with the goal to seek a comprehensive solution using the procedures of the Paris conference, particularly the principle of adopting a decision with a unanimous view.

Moreover, I am happy to welcome his excellency UN secretary general, who has kindly sent His Excellency Rafiuddin Ahmad to represent him here. This proves that his excellency UN secretary general, along with his colleagues, for many years have been paying attention to the situation in Cambodia to contribute to the search for a correct and lasting solution in line with the noble duty assigned to him by the UN General Assembly. Our delegation also attentively listened to His Excellency Roland Dumas, cochairman of the Paris international conference on Cambodia, who reported on the meeting on Cambodia of the five members of the UN Security Council; and to His Excellency Gareth Evans, Australian minister of foreign affairs and trade, who presented a document which he himself prepared on the enhanced role of the United Nations in settling the Cambodian problem.

As victims of aggression, we, more than anyone else, earnestly want this war to end as quickly as possible. It is in this spirit that President of Cambodia Samdech Norodom Sihanouk, with the full support of the Cambodian national resistance forces and the Cambodian national government, has put forward a five-point peace plan. We have already presented and circulated this plan officially at the Paris international conference on Cambodia along with two documents: the first dealing with the modalities for the realistic implementation of the five-point peace plan; and the second dealing with the vital significance of the UN role in a comprehensive political settlement of the Cambodian problem. Since we are holding this meeting within the framework of the Paris conference, I would like their excellencies cochairmen to consider these as working documents of this Jakarta meeting as well. Moreover, in my letter dated 12 February 1990 to His Excellency Ali Alatas, I proposed that this Jakarta meeting consider Samdech Norodom Sihanouk's five-point peace plan and documents on an eight-point role of the United Nations in implementing this five-point peace plan. Please allow me to inform this meeting that Samdech Norodom Sihanouk's peace plan has two fundamental key points:

1. The withdrawal from Cambodia of all categories of Vietnamese aggressor forces under UN supervision with the cooperation of representatives of the four Cambodian factions;
2. National reconciliation among all Cambodians with the establishment of an equal four-party provisional Cambodia government headed by Samdech Norodom Sihanouk.

I would also like to take this opportunity to emphasize that of these two fundamental points, the first is the most important. In fact, as long as the issue of the withdrawal of all Vietnamese aggressor forces from Cambodia under a clear UN supervision is not settled, other problems cannot be resolved. Failing in this, Cambodia will remain under Vietnam's control, the Cambodian people will continue to be deprived of their rights to independence and self-determination, and the war in Cambodia will go on as vigorously as before. Furthermore, these two fundamental points are closely linked and complement each other in ensuring Vietnam's complete withdrawal from Cambodia.

I would like to elaborate a bit more on this issue. Only the Cambodian people can help the United Nations carry out its supervision effectively, ensuring the total withdrawal of Vietnamese forces from Cambodia, and help the United Nations verify the correct and proper implementation of peace agreements. Any problems that are taking place in Cambodia, even in outlying remote

areas, will not escape the Cambodian people's eyes. Therefore, the important question is how to closely link the UN international control mechanism [UN-ICM] and the Cambodian people. This is where the four Cambodian factions play an important role—as the link between the United Nations and the Cambodian people.

These reasons show that it is necessary for representatives from the four Cambodian parties to take part in a UN supervision and for the establishment of a four-party provisional government headed by Samdech Norodom Sihanouk. Moreover, with the establishment of the four-party provisional government, there will no longer be any claims that a territory is controlled by a particular party. Also, there will no longer be any claims that an administration belongs to a particular party. This issue is quite an obstacle to UN supervision. With the establishment of a four-party provisional Cambodian government, Cambodian territory will become one territory and the Cambodian administration will become one single administration accessible to all four Cambodian parties at all ministries and levels. This way, there will no longer be any barriers and obstacles to the supervision. National reconciliation is also a major issue to be solved in order to ensure peace and stability in Cambodia now and in the long-term future. This condition is essential for the United Nations to carry out its duty. It also demonstrates that the two fundamental and points in Samdech Sihanouk's five-point peace plan are closely linked; one point cannot be accepted at the expense of the other.

I would like to emphasize the significance of the samdech's peace plan to the UN role in the search for a comprehensive political solution to the Cambodian problem. The Cambodian national government has made clear its stance in the documents on the modalities for the realistic implementation of the five-point plan and on the vital significance of the UN role in a comprehensive political solution to the Cambodian problem. The UN role does not only involve the supervision of the withdrawal of Vietnamese aggressor forces from Cambodia. The United Nations, through the UN-ICM and the UN international peacekeeping force [UN-IPF], also has the role of ensuring that the entire agreement is correctly implemented. Based on the documents I mentioned above, the UN role can be summed up in eight points as follows:

1. Supervise withdrawal of all categories of Vietnamese aggressor forces from Cambodia;
2. Supervise a cease-fire after an agreement is reached on a comprehensive solution to the Cambodian problem;
3. Supervise the disarming of all Cambodian parties in line with a concrete agreement;
4. Ensure conditions for the establishment of an equal four-party provisional Cambodian government headed by Samdech Norodom Sihanouk;
5. Carry out jointly with the four-party provisional Cambodian government, an accurate and proper census of the Cambodian people;
6. Supervise elections and ensure that they are held freely and democratically;
7. Dispatch and station sufficient numbers of the UN-IPF in Cambodia for a long period, with sufficient means to ensure peace, security, and stability in Cambodia; and
8. Guarantee that Cambodia forever remains independent, neutral, and nonaligned, with its territorial integrity and with a liberal economic regime and a multiparty liberal democracy.

Through this eight-point role, we have asked the United Nations, apart from supervising the withdrawal of Vietnamese aggressor forces from Cambodia, to jointly guarantee genuine national reconciliation and the organization of genuinely free elections so that the Cambodian people may freely express their will without any outside pressure. In connection with these elections, there are such issues as an accurate and thorough population census and a census of those who have the right to vote, the drafting of electoral laws, and the organization of electoral centers. These will be organized by the four Cambodian national forces under UN supervision; no one is allowed to monopolize this work.

In a word, we have requested that the United Nations supervise all matters relating to a comprehensive settlement of the Cambodian problem. We have insisted that the United Nations dispatch sufficient numbers of UN-IPF with sufficient means throughout Cambodia over a long period of time. We have even proposed a map which clearly indicates important strategic points to be controlled and which require the presence of the UN-IPF. As victims of this act of aggression, we need the United Nations. We not only need the United Nations to help end the war of aggression, which has created immense destruction in our Cambodian nation and to our Cambodian people, but also to help guarantee Cambodia's permanent neutrality and territorial integrity so that our people can live peacefully and forever maintain national reconciliation among all Cambodians, regardless of their political tendencies and histories, within the framework of a liberal economic regime and a multiparty liberal democratic regime. Cambodia is a small country with a small population. It is also a very poor country. The Cambodian people are greatly concerned about defending their territorial integrity and about the nation's survival. The Cambodian people pin all their hopes on the United Nations and the basic principles of the UN Charter.

Cochairman; Their Royal Highnesses; Excellencies: We hope that at this meeting the SRV delegation will not just raise certain issues to create obstacles to a solution. We hope that this time it will show goodwill to genuinely solve the problem by seriously discussing Samdech Norodom Sihanouk's five-point peace plan and the eight-point plan put forward by the Cambodian national government for a UN role. This peace plan is appropriate to the geographical position of our region. There are no loopholes for any one party to seize power or to allow Cambodia to threaten a neighboring country. We would like the SRV delegation to take part in the

discussion on Samdech Norodom Sihanouk's five-point peace plan because the SRV is a key player in the search for a solution to the Cambodian problem.

As Cambodian President Samdech Norodom Sihanouk has often stressed, the Cambodian problem is a problem between Cambodia and the SRV and not one between Cambodians. It was like this before 26 September 1989, and it has remained so. The war in Cambodia before 26 September 1989 was the SRV's war of aggression against Cambodia; since September 1989 it has remained the same. It is not a civil war. The three Cambodian national resistance forces are currently fighting directly against Vietnamese troops in western, central, and eastern Cambodia. On the battlefield in western Cambodia in particular, Cambodian national resistance forces are fighting against old Vietnamese troops, including Vietnam's 339th, 330th, 309th, 302d, 315th, 2d, 4th, and 5th Divisions. As concrete evidence, we have a map of the Vietnamese aggressor forces which are currently stationed and operating in Cambodia, as well as evidence on Vietnamese soldiers we recently captured on the battlefields, for examination by our meeting. Vietnam's 779th Field Command, previously stationed in Kompong Speu Province, is now directing the fighting on the Battambang-Route 10 battlefield. Vietnam's 479th Field Command is currently directing the fighting on north Sisophon, Oddar Meanchey, and Siem Reap battlefields. Furthermore, on the battlefields in eastern Cambodia, whenever local Vietnamese and puppet troops cannot resist Cambodian national resistance forces, the SRV successively sends Vietnamese troops from Vietnam across the Cambodian-Vietnamese border to intervene.

Recently, our national resistance forces cut the Moat Thmung bridge—east of Tonle Bet on the road to Suong in the eastern part of Kompong Cham Province—and launched fierce attacks at the junction of Roads 17 and 15. The SRV immediately dispatched forces from its 7th Military Region to intervene. Since Vietnam's unilateral troop pullout from Cambodia, we have captured a number of Vietnamese soldiers wearing the puppet troops' uniforms. We have already shown these Vietnamese soldiers to the foreign press. We would be very happy if this meeting took the time to view the videotapes of this evidence.

Most recently, on 7 February 1990, we captured another Vietnamese soldier, an Army medical officer with the rank of lieutenant. It would be very useful if this meeting could listen to this Vietnamese officer talking about how his unit was temporarily withdrawn from Cambodia to Hatien in September 1989 and was then sent back to operate along Route 10 in western Battambang wearing the uniforms of puppet troops in the 196th Division, which was reorganized after we completely smashed it in Pailin. It would also be useful if this meeting listened to this Vietnamese officer telling about the position of Vietnam's 330th and 339th Divisions.

The resolutions of the 44th UN General Assembly—adopted on 16 November 1989 with 124 votes in favor, two months after Vietnam's unilateral troop pullout—stated that all foreign troops should be withdrawn from Cambodia under a genuine UN supervision. The five superpowers, permanent members of the UN Security Council, also demanded this. More recently, the resolutions of the UN Human Rights Commission also clearly stated that the withdrawal of all foreign troops from Cambodia should be supervised by the United Nations. Along with this, other opinions have confirmed that Vietnamese troops are still fighting in Cambodia. The fact is that if the SRV is not hiding aggressor forces in Cambodia, it has no reason to fear and should clearly accept supervision of the withdrawal of its forces from Cambodia by a UN control mechanism, an international control commission, and a UN international peacekeeping force. The United Nations has another major role in ensuring that no Cambodian parties, including the party of Democratic Kampuchea, dominate the others and monopolize power. As for other issues raised by the SRV, the world can clearly judge. These are just pretexts for the SRV to refuse to end its war of aggression in Cambodia.

Recently, following Soviet Deputy Foreign Minister Rogachev's trip to Hanoi and Phnom Penh for discussions and consultations with Vietnamese and Cambodian leaders, there were reports that the puppets in Phnom Penh agreed to let the United Nations supervise elections. The Hanoi Vietnamese leaders also said that the only remaining issue concerning the Cambodian problem was elections, and that the United Nations should supervise these elections. This is a new trap set by Vietnam. The real essence of this Vietnamese proposal is:

1. To get the United Nations to accept and preserve the puppet regime Vietnam has propped up in Phnom Penh through hundreds of thousands of Vietnamese aggressor forces since 1979;
2. To get the United Nations to legitimize the puppet regime by preserving everything which is part of this regime, including Vietnamese troops which are disguised as puppet soldiers and Cambodian civilians and are hidden in the puppet administration. This is tantamount to allowing Vietnam to continue occupying Cambodia and further Vietnamize Cambodia;
3. To get the United Nations to accept the illegal treaties Vietnam fabricated under the cover of the puppet regime to annex Cambodia's territorial integrity and sovereignty, and to accept as a fait accompli what Vietnam has done under the label of this puppet regime with the aim of Vietnamizing Cambodia.

More serious still is the fact that Vietnam has called on us to accept the status quo, with each side staying where it is, and accept elections in Cambodia this way. In fact, Vietnam is calling on us to accept the partition of our country. In history, many examples have shown that this temporary partition will become a long-term division. Samdech Norodom Sihanouk has said that the greatest

suffering of nationalists is the loss of their country's independence and territorial integrity; simply, the partition of their country. All Cambodian nationalists cannot forget this moving appeal by Samdech Norodom Sihanouk. We firmly believed that the United Nations, like the entire international community, would listen to this moving appeal by Samdech Norodom Sihanouk and are convinced that people would not allow this event to happen in Cambodia. Furthermore, how can the United Nations supervise the elections if the issue of hidden Vietnamese aggressor forces within the puppet administration, puppet ministries and services, and puppet army has not yet been solved? If Vietnamese aggressor forces remain in the puppet administration from Phnom Penh down to villages and communes, and Vietnamese settlers continue to live all over the areas controlled by Vietnam, who will conduct a population census? Who will conduct the survey of eligible voters? Who will implement the election laws? It will certainly be the Vietnamese in the puppet administration from the top down to the villages and communes who will decide everything. It will be the Vietnamese who will hand over at will Cambodian identity cards and voting cards to hundreds of thousands of Vietnamese settlers.

It should be recalled that Vietnam has ordered the Phnom Penh puppet administration to grant Cambodian nationality to hundreds of thousands of Vietnamese settlers already. These Vietnamese settlers are certainly going to vote, and the United Nations will have no right whatsoever to oppose this. Cambodians will be threatened and intimidated through every means, from arrest to summary execution, to prevent them from voting for Cambodian nationalists. They will certainly be pressured into voting for Vietnam's men. Can this be considered free and democratic elections? Can the Cambodian people be said to enjoy their right to self-determination? Certainly not. In history, many examples have shown the danger of settling for peace by straying from the reality of the issue. The 1962 Geneva agreement on Laos and the 1973 Paris agreement are examples of this.

The 1962 agreement on Laos shows that by using the label of peace, the people were duped into allowing Vietnamese troops, disguised as Pathet Lao forces, to remain in Sam Neua and Phong Saly. Vietnamese troops continued to be stationed at the Plain of Jars and along the Lao eastern border even after the agreement was reached. Because of this, Vietnamese forces had ample time to build the Ho Chi Minh trail. People still recall that Vietnamese troops hidden in the Pathet Lao troops put military and political pressure on the national reconciliation government of Prince Souvannaphouma until this government disintegrated after only one year of existence; then war broke out again. We are convinced that Cambodian nationalists and the international community cannot forget these bitter historic lessons.

Cochairmen; Their Royal Highnesses; Excellencies: Cambodian nationalists and the entire Cambodian people who want to live in peace in their motherland within the borders recognized by the international community before 17 March 1970 support Samdech Norodom Sihanouk's five-point peace plan. This plan also has the support of peace- and justice-loving countries because:

1. This five-point peace plan does not demand what belongs to Vietnam, nor does it demand war compensation. We only demand that Vietnam withdraw all types of its aggressor forces from Cambodia under international supervision.
2. This plan allows those who have collaborated with foreign aggressors to be part of the four-party provisional government with nationalists.
3. This plan grants the United Nations an effective and definite role in ensuring that a peace agreement be correctly implemented.

We hope that the SRV delegation will listen to the voice of reason.

Chairman; Their Highnesses; Excellencies: Before concluding, on behalf of our delegation, allow me to salute in particular the sacred and tireless efforts during the past 11 years of all peace- and justice-loving countries, particularly the ASEAN countries, which have most generously assisted the Cambodian people and the Cambodian national resistance forces lead by Samdech Norodom Sihanouk in the struggle for national liberation, independence, and peace in Cambodia. This firm stance, worthy of respect, proves that peace- and justice-loving countries as well as ASEAN countries have expressed firm adherence to the cause of international peace and security as well as to their determination to uphold the principles of the UN Charter in international relations, particularly in relations between states in Southeast Asia. The Cambodian people would like to express profound gratitude for this. After Cambodia is liberated, we will strive to achieve goals worthy of this assistance. Thank you.

Laos

Editorial Views Southeast Asia Peace Proposal

BK0603113590 Vientiane KPL in English 0920 GMT 6 Mar 90

[Text] Vientiane, March 6 (KPL)—The "PASASON" daily, yesterday frontpaged an editorial on the five-point proposal of transforming Southeast Asia into a zone of peace, stability, friendship and cooperation as reiterated by Laos' Foreign Minister Phoun Sipaseut at the recent Jakarta informal meeting on Cambodia.

Elaborating the idea, the editorial recalled the 7-point proposal of peaceful coexistence in Southeast Asia the governmental delegations of Laos made at the 1981 UN General Assembly and at JIM 1 and JIM 2 [first and second Jakarta informal meetings]. This was based on 10 principles adopted at the 1955 Bandung conference and the 6 principles of the Bali accord, it stressed.

To that end, the editorial added, Laos has repeated its five-point proposal, one of which is that any conflict or dispute in the region should be solved by a peaceful means. As far as this point is concerned, it said, now the international community shares the view that the objective of solving regional issues, especially the Cambodian one, involves the creation of a peaceful, independent, neutral, and non-aligned Cambodia with friendly relations with all countries.

Cambodia will only enjoy such a status when Southeast Asia is turned into a zone of peace, stability, friendship, cooperation and free from outside interference. That is to say, countries in the region should accommodate considering the proposal mentioned above, the editorial ended.

Comparison of Kaysone Phomvihan Speech to SPA

BK0503123390

Vientiane PASASON in Lao on 10 February publishes the 6,500-word "speech by Comrade Kaysone Phomvihan, general secretary of the party Central Committee and chairman of the Council of Ministers of the Lao People's Democratic Republic [LPDR], delivered at the ordinary session for 1990 of the Supreme People's Assembly [SPA] of the LPDR (in Vientiane on 9 February 1990)." This version has been compared with and found to be identical to the Vientiane Domestic Service version published in the 2 March East Asia DAILY REPORT, pages 51-59, except for the following variations:

Page 51, column two, paragraph two, first three sentences read: In addition, the production of beans, corn, sesame, cotton, and other crops has gained a new impetus. More attention is given to animal husbandry, which is now expanding. Consequently, agricultural production has been further improved to produce more goods for domestic consumption and export as well. Considerable positive changes... (deleting words, supplying additional material)

Page 52, column one, first complete paragraph, sentence four and second complete paragraph, first two sentences read: Both sides have reaffirmed that efforts will be made to heighten the spirit of militant solidarity, special friendly relations, and all-around cooperation between our two parties, states, and peoples on the basis of the spirit of restructuring and mutual interests and brotherly assistance, by attaching importance to the quality and efficiency of such cooperation.

My meeting with Comrade General Secretary Gorbachev in December last year has marked an important milestone in the friendly relations and all-around cooperation between the LPDR and Soviet Union. In pursuance of boosting efficiency of relations for mutual benefits, the two countries have reaffirmed that they will continue to carry out the restructuring tasks with firm steps for the cause of socialism.

We have done... (inserting additional paragraph)

Page 52, column two, first complete paragraph, sentence one reads: On behalf of the party Central Committee and Council of Ministers, I therefore wholeheartedly acclaim the multiethnic compatriots, fraternal workers, farmers, intellectuals, businessmen, scholars, and Buddhist monks and novices... armed forces on duty for national defense and maintenance of peace and order, and cadres in all sectors who have held aloft their sense of patriotism, solidarity, and self-reliance and self-building, overcome obstacles, and registered brilliant achievements in defense of the country, the new regime, and national construction. I acclaim senior... (supplying additional material)

Page 53, column two, first six complete paragraphs read: ...Fourth LPRP Congress.

Respected personages:

We enter the year 1990 amid the most confusing international circumstances, in particular, the extensive political and socioeconomic crises in the East European countries where communist and labor parties are being attacked and discredited by the imperialists, reactionary forces, and opportunists whose intention is to destroy those parties' leading roles.

Following up the situation, we can see that these changes have both subjective and objective causes and can be attributed to the historic conditions, which vary from country to country.

The imperialists and reactionary forces have gained a good position to exert their efforts to undermine and destroy socialist countries. However, it is unlikely they will be able to do anything they like. Their potential has its limits, as they are also furiously facing internal conflicts and crises. Moreover, in those socialist countries, political and socioeconomic foundations of the exploiting class have already been primarily destroyed, while socialism is firmly rooted. It will not be easy for imperialism to effect changes through peaceful means or alter the epochal trend of bypassing capitalism toward socialism worldwide.

We have followed such developments with concern and sympathy for those trouble-plagued fraternal parties and countries. We firmly believe that with their determination to take steps conducive to reforms and restructuring and with efforts to eliminate mistakes and shortcomings, the true communists in those socialist countries will be able to revive popular confidence and extricate their countries from crises, thus further implementing their socialist revolutionary tasks in line with the epochal trend.

During the past few months, our cadres, party members, and people of all strata have been concerned with the changing situation in the Soviet Union and Eastern Europe. Their concern is justifiable and reflects their

political consciousness and our people's sense of responsibility toward the cause of revolutions of their own and of fraternal friends worldwide. Nevertheless, these developments will certainly have repercussions in our tasks of national defense and construction and restructuring, but they also serve as valuable lessons for our revolution. Our party has analyzed such developments and drawn important lessons from them as follows: We must enhance our sense of vigilance against the enemies' schemes, bolster solidarity among the masses, resolutely implement the task of restructuring in line with the designated principles, increase and revise the party's leadership, and maintain tangible contacts between the party and people.

On this occasion,... (inserting six additionl paragraphs)

Page 54, column one, first complete paragraph, sentence three and paragraph two read: Moreover, they have also used their air and naval forces to directly and openly interfere in the internal affairs of Panama which is a sovereign country to arrest the president [as heard] of that country to stand trial for punishment in the United States on the charge that he had failed to comply with their orders.

In light of these obstinate schemes and unchanged nature of the imperialists and reactionary forces, we must ceaselessly uphold our sense of genuine patriotism, which is the tradition of our people, be proud of the affection for the country and dignity of our Lao multiethnic people who are always willing to make every sacrifice for the causes of national independence and defense. The history of our country has testified that the Lao people would rather die than lose their nation. This is the excellent tradition that the Lao people of younger generations must inherit with pride. This tradition has provided the force enabling our revolution to march toward new, greater victories.

Therefore, to score... (inserting additional paragraph)

Page 54, column one, paragraph two, sentences three through seven read: National unity and harmony is a fine tradition and a special, important feature of our national revolution. Unity has been the most decisive factor to national survival and growth. Looking back at the history of our national revolution, we can clearly see that whenever the people were strongly united and acted as one soul and one body, our country would be strong and prosper as during the reign of King Fa-ngoum, who reunited the country and established Lan Xang state 250 years ago. It was our country's golden age. We were able to defeat several foreign aggressions in the 15th, 16th, and 17th centuries. Whenever our people were divided and antagonism prevailed, the nation would be plunged into a hopeless situation such as that during the period of Lan Xang Kingdom in the early 18th century. Because of division in the country, foreign feudalists invaded and occupied our country, the people lived under oppression, and our civilization was heavily damaged. It is also... (inserting six sentences)

Page 54, column two, paragraph two, first two sentences read: The Lao People's Revolutionary Party was born amid the national liberation struggle movement which was carried out by our multiethnic people who have combined a sense of patriotism with Marxism-Leninism and derived from the multiethnic people's protracted struggle for national independence. It is the party that has been sharing weal and woe with the people and together with the people has overcome numerous obstacles. Since its founding... (supplying additional material)

Page 54, column two, paragraph two, sentences two and three read: Since its founding, the LPRP has consistently drawn wholehearted support from and been attentively built and safeguarded by our multiethnic people, who have recognized the party's leading role and are always grateful to the party and want it to grow bigger and stronger so it will continue to prudently lead the country and people. They have come to realize that other political parties in the past have already been crushed by the wheel of history and that there is no need to have other political parties. Presently, we come... (changing wording, adding sentence)

Philippines

Savings Diversion Suggested To Cover 'Shortfall'

HK2202042190 Manila THE MANILA CHRONICLE in English 22 Feb 90 p 1

[By staff member Manny Mogato]

[Excerpt] Defense Secretary Fidel V. Ramos has asked the United States to use part of the savings it would generate from its troop reduction program in Europe to cover for its shortfall in aid to the Philippines. Ramos also proposed that the Bush administration speed up the delivery of military equipment to the Armed Forces of the Philippines to help "sustain their momentum in the fight against communist insurgency."

The delivery of U.S. war materiel and the restoration of the $96-million military and economic assistance shaved by the U.S. Congress were the main agenda of the meeting between Ramos and U.S. Defense Secretary Dick Cheney last Monday in Camp Aguinaldo. Cheney did not make any commitment to restore the military and economic aid reduced by the U.S. Congress.

However, he agreed to speed up the delivery of U.S. military equipment to the Philippines and raised the possibility of diverting to the Philippines military aid that would result from American troop reduction in Europe. [passage omitted]

U.S. Rebuked for Failing To Pay $96 Million

HK0703064490 Manila PHILIPPINE DAILY GLOBE in English 7 Mar 90 pp 1, 9

[By staff writer Julius Fortuna]

[Text] The Department of Foreign Affairs (DFA) rebuked Washington yesterday for failing to pay $96 million of the $360 million compensation for using Clark Air Base and Subic Naval Base in 1990. Ambassador Raul Rabe, a member of the Philippine panel in the forthcoming bases negotiations, said the United States cannot just renege on its commitment under the 1988 Manglapus-Shultz Agreement to pay the Philippines $481 million in 1990 for the use of the bass, including $360 million in "hard components".

Rabe said that RP [Republic of the Philippines]-U.S. relations are not based on legal technicalities but on mutual interest and trust. He was referring to the claim of Kenneth Quinn, U.S. embassy deputy chief of mission, that Washington was not absolutely required to pay the whole $481 million this year. Quinn had said during a radio interview last weekend that the Manglapus-Shultz Agreement does not bind the United States to an absolute requirment to pay the whole $481 million.

Rabe said that although the commitments under the agreement were made in the form of a so-called best-effort pledge, "it has been the practice of the United States to appropriate yearly compensation" to the Philippines. He said the Philippine negotiating panel will bring up the matter of compensation shortfalls during the bases talks set for the third week of April.

He said the shortfalls "are related to the implementation of the 1988 Memorandum of Agreement, and in that way, these are indirectly related to the talks because one of the things we are raising is the matter of implementing the current agreement." Rabe said that Quinn apparently erred in interpreting the Manglapus-Shultz Agreement, contending that "relations among countries cannot be determined by legal technicalities alone."

When the U.S. Congress unilaterally cut last month the $96 million from the $360 million aid package, Malacanang sent a letter of protest to the U.S. embassy. Mrs Aquino then refused to meet with U.S. Defense Secretary Richard Cheney when the latter came to Manila two weeks later.

In Olongapo City, meanwhile, officers manning Subic Naval Base say the United States must continue to build its defenses, not only against the Soviet Union but also against many other potential small wars in the region. "You cannot build your defense policy just on a state of intentions," said Capt. William Vivian, Subic base spokesman. "For this reason, among others, we consider our presence here in Southeast Asia, particularly in the Philippines, to continue to be important."

Editorial on Expanding Ties With Europe, Asia

HK0503085990 Manila PHILIPPINE DAILY INQUIRER in English 5 Mar 90 p 4

[Editorial: "Changing Realities Call for New Foreign Policies"]

[Text] Eight foreign diplomats who met recently at the rest house of Senate President Jovito Salonga in Pansol, Laguna said that the movement toward democratization in Eastern Europe would ease the tension that has gripped the world for the past 45 years. At the same time, some of the diplomats cautioned against an overly optimistic view of the situation in Eastern Europe. French Ambassador Jacques Le Blanc, for one, said the "democratic evolution" could cause instability in Europe because many of the newly emerging democracies are made up of antagonistic nationalities. Salonga also said he foresees a difficult transition period in Eastern Europe.

In the light of recent developments in Eastern Europe and the Soviet Union, it is imperative, as Sen. Leticia Ramos Shahani has suggested, that the government draw up a new foreign policy to fit the "new global order" marked by the easing of East-West tensions. Such policy revision should also prepare the Philippines for possible changes in its relations with European countries after the conversion of the European Economic Community into a single European Union by 1992.

For far too long now, Philippine foreign policy has concentrated on the country's relations with the United States. It may be true, as the Philippines likes to believe, that it has "special ties" with the U.S. and it is true that the U.S. is one of the superpowers in the world today. But the U.S. is not the world; there are other important nations with which the Philippines should cultivate relations.

The Philippines should break out of the suffocating and limiting confines of its relations with the U.S. and expand its ties with countries in Europe, Asia, the Middle East, South America and Africa.

In Europe, the EDSA [Epifanio de los Santos Avenue] Revolution inspired many countries to wage their own peaceful revolts. The Philippines and these newly emerging democracies could learn from one another and help one another in their task of national reconstruction.

The Philippines should promote its closest relations with other countries in Asia because it is part of this region. Economists predict that the Asia-Pacific region will be the next fast-growth area in the world. The Philippines should try to get a big piece of the action here by expanding its economic relations with its neighbors.

The Philippines has to improve its relations with Middle Eastern countries where hundreds of thousands of its contract workers are making a living and from which it imports the bulk of the crude oil it needs.

It should also look to South American nations with which it has cultural ties because of their history as colonies of Spain, and African countries with which it has in common a history of poverty and colonialism.

Developments in Eastern Europe and the Soviet Union are occurring at a very fast pace. The Philippines has to keep up with the rest of the world, with Europe, especially, if it does not want to be left behind. Unless the Philippines revises its foreign policy to conform with the realities of geopolitics and international relations, it runs the risk, in the words of Senator Shahani, of being forever cooped up in "a ghetto of neo-colonialism and the Cold War."

Aquino Reportedly Favors Stronger Presidency

HK0403003690 Manila THE MANILA CHRONICLE in English 3 Mar 90 p 1

[By staff member Lito Zulueta]

[Text] Faced with Rightist threats to topple her democrattic government, President Aquino now wants a stronger presidency, admitting for the first time that the 1987 Constitution has weakened the institution. But the President has indicated that should the Constitution be amended to strengthen the presidency, it should be made effective after her term.

Mrs. Aquino revealed her thoughts about the presidency in a meeting with a select pool of foreign correspondents last Feb. 22. A transcript of the interview was obtained by the CHRONICLE from a Malacanang source. Asked by British journalist Robert Contlie if she felt the 1987 Constitution had "severely restricted" the powers of the President, Mrs. Aquino answered yes.

"I thought it (has), especially after the last coup attempt," she said. "People are realizing now that my powers have been rather weakened and when they think or recommend the arrest or detention of certain people, well, I gently remind them that now, this is a democracy, and everybody is entitled to due process." We're learning or relearning what a democracy is all about," she said. "So in time, we will be able to bring (about) the necessary amendments, if required."

Despite voicing the need to strengthen the presidency, Mrs. Aquino suggested that the windfall of the change would have to be enjoyed by those who would come after her. The President stressed that always referred to her term as "a transition period from a dictatorship to full democracy." She said, "It is during this transition that hopefully, whatever changes will have to be made later on will be learned because of this experience of my Administration."

The 1986 Constitutional Commission which drafted the 1987 Constitution restricted the old powers of the president, especially in the matters of declaring martial law or suspending the writ of habeas corpus. The President, according to the 1987 Constitution, can suspend the writ of habeas corpus or declare martial law only for a period not exceeding 60 days. And within 48 hours of the suspension of the writ or declaration of martial law, the President must submit a report to Congress, which by a majority vote could revoke the order. The President cannot set aside such revocation.

In addition, a state of martial law does not suspend the operation of the Constitution, nor supplant civilian courts or legislative assemblies, nor authorize conferment of jurisdiction on military courts.

Mrs. Aquino has shirked from suspending the writ or declaring martial law in her presidential campaign as she promised to be the exact opposite of president Marcos. But even legislators, after the last coup attempt, bemoaned the weakened institution of the presidency.

Partly in response to this state of affairs, Congress last December hastily passed a law granting the President emergency powers to help her Government cope with the post-coup situation.

High Court Stops Police Action in Metro Manila

HK0303045890 Manila Far East Broadcasting Company in Tagalog 2300 GMT 2 Mar 90

[Text] The Supreme Court directed the military and police authorities to temporarily stop saturation drives in Metro Manila pending the formulation and enforcement of a clear guideline to govern the same. The high tribunal also directed the Commission on Human Rights, the secretary of justice, the secretary of national defense and the commanding general of the PC-INP [Philippine Constabulary-Integrated National Police] to draw up guidelines to govern police actions intended to control riots and civil disturbances, to flush out criminal elements and subdue terroristic activities.

Laurel, Cojuangco Consolidating Political Forces

HK0703103590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Mar 90

[Slantlines indicate passages in English]

[Text] Former Ambassador Eduardo Danding Cojuangco and Vice President Salvador H. Laurel have agreed to unite all political opposition groups in preparation for a possible change in the administration even before 1992. Cesar Chavez of Mobile Unit No. 9 reports:

[Begin recording] [Chavez] The Nationalist Party is in a hurry to unite all the political opposition groups and set up a coalition in preparation for possible changes in the government even before the 1992 presidential election. In a news conference, Vice President Salvador H. Laurel announced that he has already spoken with former Ambassador Eduardo Cojuangco Jr. to unite their forces because they both believe that the 1992 election will not take place. Due to the Aquino administration's inefficiency, i.e. in General Florendo's slaying in Cagayan, Laurel said that the military's disgust for the present

administration is intensifying. According to him, this could trigger another coup d'etat in the near future.

Here is my interview with Vice President Doy Laurel, who is also the Nationalist Party head.

[Laurel] /Oh, yes, we will continue to be in touch. We are consolidating the opposition. We are trying to unite all those who are disaffected or disenchanted with this administration, and all those who don't agree with the things and the policies being administered by this administration are joining forces. And I think that's a very good sign./

[Chavez] [Passage indistinct]

[Laurel] /Let's say we are preparing for anything, like a flashlight battery, Eveready./

[Chavez] /What is going to happen in 1992?/

[Laurel] /What will happen? Oh, anything can happen anyday. So we have to be prepared for any eventuality./

[Chavez] That was my interview with Vice President Salvador H. Laurel.

Earlier, Laurel blamed Mrs Aquino's inefficient lawyers who filed the rebellion complexed with murder charge, which was the cause of the death of a general. He also said that the opposition party is getting stronger, while the party of the administration is getting disunited. [end recording]

Reportage on Aguinaldo Situation Continues

Troops Hunting Aguinaldo Ambushed

HK0603144990 Hong Kong AFP in English 1446 GMT 6 Feb 90

[Text] Manila, March 6 (AFP)—Philippine troops looking for rebel Cagayan Governor Rodolfo Aguinaldo were ambushed near the northern town of Gattaran Tuesday, leaving an undetermined number of casualties, a radio station reported here. Two truckloads of government soldiers involved in the search were waylaid on a road leading to Gattaran, a stronghold of the suspended governor, radio station DZRH said.

The attackers were not identified and no official casualty count was available, it added.

Mr. Aguinaldo and about 100 armed followers are being sought for the slaying on Sunday of Brigadier General Oscar Florendo, who had been sent to the northern province to help serve an arrest warrant on the renegade official.

A police spokesman contacted in the provincial capital Tuguegarao told AGENCE FRANCE-PRESSE that they have not received official confirmation of the reported attack. But he confirmed that "sweeping operations" by marines, army troops and paramilitary units were being conducted in the area, where Mr. Aguinaldo was believed to be in hiding.

Mr. Aguinaldo has been charged with rebellion and murder for his alleged role in the bloody coup attempt against President Corazon Aquino in December.

NPA Said To Join Hunt

HK0603102190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 6 Mar 90

[Text] Cagayan Governor Rodolfo Aguinaldo is said to be in a more dangerous situation following reports stating that the New People's Army [NPA] has joined the hunt for him. According to reports, the NPA has ordered all its units, estimated at 3,000 members, to find Aguinaldo to bring him in to pay for his sins against the country. Ruth Permesa, spokeswoman of Lieutenant Tagamolila of the NPA command, said that all their units in Northern Luzon, including the Chadley Molintas Command and Venerando Vellacillo command in Nueva Vizcaya and Ifugao, have been ordered to launch a military action against Aguinaldo's group.

Aquino Wants Aguinaldo 'Alive'

HK0603102390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 6 Mar 90

[By Dick Sinchiongco]

[Text] President Corazon Aquino ordered the Armed Forces of the Philippines [AFP] to capture fugitive, suspended Governor Rodolfo Aguinaldo alive. The president clarified that there was no shoot to kill order issued against the rebel governor, stressing that Aguinaldo would be captured alive so that he may face charges in court. In a press statement read to reporters by Press Secretary Tomas Gomez III, Mrs. Aquino said:

[Begin Gomez recording in English] The president instructed AFP Chief of Staff General Renato S. de Villa to carry out the mission of serving the arrest warrant of the fugitive, suspended Governor Rodolfo Aguinaldo using such force as is necessary and taking all feasible measures for the safety of civilians.

Accordingly, General De Villa ordered all of our forces in the Cagayan area to get Aguinaldo at all costs. This does not amount to a shoot to kill order. We want to capture Aguinaldo alive to serve the warrant on him. [end recording]

At the same time, the president said the full force of the law will be enforced against captured Aguinaldo supporters who launched the Tuguegarao uprising:

[Begin Gomez recording in English] The 236 followers of Aguinaldo who were captured will be (processed) and, on the basis of the investigation, prosecuted and charged. As the president said, the fullest force of the law will be meted out on the perpetrators of this treachery. [end recording]

The military is presently on an extensive manhunt for the suspended Cagayan governor. Among the casualties in the Aguinaldo assault on a hotel was Civil Relations Chief Brigadier General Oscar Florendo.

Co-Accused Brawner Surrenders

HK0703093390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Mar 90

[Text] Retired General Felix Brawner, one of Senator Juan Ponce Enrile's co-accused, has surrendered to the National Bureau of Investigations [NBI]. He was accompanied by Mr. Jimmy Policarpio of the office of Senator Ernesto Maceda to the Office of NBI director general General Alfredo Lim this afternoon.

Aguinaldo Sends Surrender Feeler

HK0703044390 Manila Far East Broadcasting Company in English 2300 GMT 6 Mar 90

[Text] The military reported that one of the closest security men of suspended Cagayan Governor Rodolfo Aguinaldo has sent word to the regional command in Tuguegarao of the Governor's desire to surrender. According to Colonel Emiliano Templo, chief of civil military operations, Aguinaldo and his men cannot hide for a long time as many military units have been mobilized to hunt them. Templo also said Aguinaldo and his men were seen in (Linao) Town, six km from Tuguegarao. Templo added the military received information on the hideout of Aguinaldo and his men and expects to get them soon.

Ramos Rejects Surrender Condition

HK0703101190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Mar 90

[Slantlines indicate passages in English]

[Text] Suspension of military operations against fugitive governor Rodolfo Aguinaldo was requested from Mrs Aquino while negotiations for his surrender take place. In an interview with Deo Macalma, Aguinaldo's lawyer Attorney Vic Padilla said that he will speak with the rebel governor and urge him to surrender. Preparations for his bail are already being processed. Aguinaldo can surrender because the rebellion with murder charge against him is now bailable.

[Begin Padilla recording] He sent some feelers to me and /we are preparing the bail bond/ so he can face all the charges. I am appealing to Governor Aguinaldo to send me more feelers if he would like to face the charges in court so we can prepare the bail bond and request the authorities to withraw the manhunt. We, the lawyers, will try to find a way for him to surrender and post the bail bond. We hope that President Aquino will order the military authorities to suspend the manhunt so Governor Aguinaldo can rest and think about surrendering. [end recording]

Meanwhile, Malacanang has rejected the conditions for Aguinaldo's surrender. Dick Sinchiongco of Mobile Unit No. 6 reports:

[Begin recording] [Sinchiongco] Fugitive Governor Rodolfo Aguinaldo is not in a position to set conditions for his surrender. Defense Secretary Fidel Ramos rejected the condition that Aguinaldo will surrender only if the government troops hunting him withdraw from the area. In an interview after the cabinet meeting, Ramos said:

[Ramos] /I think these are matters which are left to the decisions of the local commanders and the local government authorities in Cagayan. But I do not think that Mr Aguinaldo is in a position of imposing conditions, particularly the withdrawal of the troops because that would again prejudice public welfare and the safety of the law-abiding component of the population. On the other hand, any reasonable condition, I would say, would be acceptable. But we will ask the opinions of the local commanders and the local government officials./

[Sinchiongco] Ramos, however, said that there are other conditions regarding Aguinaldo's surrender which the government could consider. He also said that there are only over 2,000 soldiers in Cagayan and not 10,000 as reported. [end recording]

Suspected Hideout Attacked

HK0703091390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Mar 90

[Text] Some 2,000 soldiers, with the aid of two V-150 tanks, five armoured personnel carriers, two Huey helicopters, two Sikorskiy helicopters, and some recoilless rifles, attacked Baiagao Norte in the town of Gattaran, Cagayan Province this morning where former Cagayan Governor Rodolfo Aguinaldo is believed to be hiding. The attack took place despite an announcement by Civil Military Operations deputy chief Colonel Emiliano Templo that Aguinaldo has sent surrender feelers.

Meanwhile, eight more Aguinaldo followers surrendered to authorities in the town of Gattaran, Aguinaldo's home base which is also the site of combat operations by military authorities. According to Colonel Juanito Rimando, some 249 Aguinaldo followers have surrendered to the government since Sunday.

Defense Probes RAM Involvement

HK0703105390 Manila Radio Veritas in Tagalog 0900 GMT 7 Mar 90

[By Jonathan Cristobal]

[Text] The Defense Department, through a fact-finding body headed by Defense Undersecretary Leonardo Quisumbing, is presently investigating a possible involvement of the rebellious Reform the Armed Forces Movement-Soldiers of the Filipino People [RAM-SFP] in the Cagayan violence. This was today announced by Defense Secretary Fidel Ramos in a news conference, in

which he also said he is expanding the Quisumbing committee's jurisdiction to investigate the Cagayan incident which had resulted in the death of Brigadier General Oscar Florendo.

It is recalled that the said investigative body was created to probe the root causes of the bloody 1 December coup attempt and to submit its recommendation to President Aquino to prevent its recurrence.

Based on the committee's initial findings, Ramos said that two of the RAM-SFP rebel officers, who led the takeover on the Makati commercial district, were seen with suspended Cagayan Governor Rodolfo Aguinaldo at the height of the uprising in Cagayan. One of them was identified as Captain Yen of the Philippine Army elite Scout Ranger regiment. The other remains unidentified.

Earlier, AFP [Armed Forces of the Philippines] Chief General Renato de Villa confirmed that he had received an intelligence report outlining a plan by the RAM-SFP to assassinate seven of the top military officials including himself, NCRDC [National Capital Region Defense Command] Chief Brigadier General Rodolfo Biazon, and the slain, for a still undetermined motive, AFP Civil Relations Chief Brigadier General Oscar Florendo.

However, Ramos stressed that there is no clear evidence yet to prove a connection between the RAM-SFP and Aguinaldo until the Quisumbing committee finishes its investigation:

[Begin Ramos recording in English] What this actually means, is that Cagayan was the place chosen by Captain Yen to hide. Of course, he is on sanctuary with a likely ally, in the person of Governor Aguinaldo. Many of these enlisted men, who are reported here as enlisted men and who were those captured, include many that were on AWOL [absence without offcial leave] or who were at large. So, until we can have the full investigation of these individuals, we will not be able to link anyone to the Makati or to the Metro Manila incident of December 1989. [end recording]

In related news, Ramos denied that the Defense Department and the military had received any surrender feelers from Aguinaldo. The message which was allegedly sent to AFP deputy chief for Civil Military Operations Colonel Emiliano Templo was denied received by the official and AFP Chief General Renato de Villa.

Reevaluation of CAFGU's Urged

HK0703064690 Manila THE MANILA CHRONICLE in English 7 Mar 90 p 4

[Editorial: "A Bad Idea To Begin With"]

[Text] The recent events in Cagayan province, where a suspended governor has utilized the para-military forces that he himself orgaized to fight his private war against the national government, makes it imperative for the Armed Forces of the Philippines [AFP] to review one of its most unpopular creations: the Citizens Armed Forces Geographical Unit (CAFGU).

Rodolfo Aguinaldo, a former military officer who became the governor of Cagayan, organized the CAFGU in his province. This was all well within the law which says that the community would have a hand in the screening of the CAFGU applicants who, after training, would be armed to augment the AFP counter-insurgency effort in the localities.

When Gov. Aguinaldo was suspended from office for his alleged participation in the December coup attempt, he surrounded himself with his loyal followers, among them the CAFGU and civilian volunteer organization (CVO) members who owed their jobs and loyalty to him. Last week, when he withdrew to his stronghold in Gattaran after learning that a warrant had been issued for his arrest on charges of rebellion with murder, it was the CAFGU and the CVO along with rebel Scout Ranger troopers who made up his armed band.

Last Sunday, Aguinaldo and his rebel force entered Tuguegarao and attacked the hotel where Government officials and AFP officers were staying. They took a general hostage and killed him in cold blood. Ever since 1988, when the AFP came up with its blueprint for the CAFGU, which it called a "citizen's armed force", to help it win the war against the insurgents, especially in the hinterlands, we have been warning about the danger of resurrecting the idea of a paramilitary force which had already been outlawed by the 1987 Constitution. But the AFP insisted that the CAFGU would be different, that it had instituted "safeguards" against sloppy recruitment and screening, and abuses against the populace, as its notorious predecessors—the BSDU [Barrio Self-Defense Unit] and the CHDF [Civilian Home Defense Force]—did in the past.

The CAFGU would be recruited among military reservists whose applications would have to be endorsed by the communities they come from. They would undergo intensive training, receive a living allowance, a uniform, a gun, and medical and death benefits. And they would be placed under the discipline of a military officer, and be subject to the provisions of the Articles of War.

The past two years have shown us that these "safeguards" are far from perfect. In Negros, the military has found that it needs the financial support of the big landowners for the upkeep of its CAFGU units. In some Mindanao provinces, the CAFGU are known to be the private armies of businessmen and politicians. All over the country, there have been incidents of undisciplined behavior that have led to the death and injury of innocent persons.

But nowhere is the CAFGU's susceptibility to abuse and manipulation more clearly manifested than in Cagayan. Under the charismatic but demented leadership of Gov. Aguinaldo, the CAFGU in Cagayan has become an instrument not so much for fighting communists as for the advancement of Aguinaldo's personal and political

interests. They are allegedly involved in "jueteng" ("lottery") operations and the protection of illegal logging activities which are said to be among Aguinaldo's sources of funds. Clearly, the CAFGU in Cagayan along with the civilian volunteers, operate as Aguinaldo's dreaded private army.

In the aftermath of the Tuguegarao incident, Defense Sec. Fidel Ramos announced an overhaul of the CAFGU in Cagayan and other provinces in the North. The recruitment process, he said, will be thoroughly reviewed and the CAFGU's membership will be scrutinized to ensure their loyalty to the Government and not to any individual. Service to the community will be given stronger emphasis in recruitment or reorientation.

Given the increasingly negative record of the CAFGU all over the country, we doubt that Sec. Ramos will succeed in reforming it. CAFGU's main orientation has always been counter-insurgency. In the process, it has been transformed into private armies of political and military warlords. Now Sec. Ramos wants to make it a tool for community service and development.

It might be too late to sanitize the image of the CAFGU. The Tuguegarao incident, especially the killing of Gen. Florendo, should prompt a drastic reevaluation of the wisdom of the CAFGU idea itself. It is time to turn to a Senate bill which calls for the mobilization of college students who undergo Citizens' Military Training into a genuine citizens' army, an alternative force which can be tapped by Government during emergencies or for community development, in times of war and peace.

Further Developments in Enrile Case Reported

Supreme Court Orders Release

OW0603135690 Tokyo KYODO in English 1329 GMT 6 Mar 90

[Text] Manila, March 6 KYODO—The Philippine Supreme Court ordered the temporary release on bail Tuesday of detained opposition Sen. Juan Ponce Enrile and two co-accused, who face charges stemming from alleged involvement in a bloody coup last December. Voting 10-4 in favor of the Enrile petition for bail with one abstention, the court said that "in issuing this resolution it is not passing upon the legal issues raised in the pleadings and arguments of the respective parties in these two cases."

The resolution said "provisional liberty" is being granted to Enrile and hoteliers Rebecco and Erlinda Panlilio since chances that the accused will flee or evade "court processes" are "fairly remote."

At Malacanang Presidential Palace, Press Secretary Tomas Gomez III said President Corazon Aquino will respect the high court decision.

In a hastily called press conference after learning of the court order, Enrile said his release is not his personal victory. "It is the triumph of justice in this republic," he said. "It shows that we have a dependable Supreme Court that can be counted upon by the citizenry whenever a member of the citizenry would be unnecessarily inconvenienced because the state or government uses its awesome powers to pin down charges against a member of our society without valid reason," he said.

Enrile, who was released at around 9 P.M., said that the litigation of his case "has not ended." He said he will resume his duties in the Senate as soon as he is released even as he appealed to his supporters to remain calm.

In the case of the Panlilio couple, the justices voted 12-2 in favor with two abstentions. The couple was alleged to have catered to hundreds of rebel soldiers who sought refuge at the Enrile residence at the height of the bloody bid to topple the Aquino government.

Enrile lawyers pleaded before the High Court Tuesday that the lone opposition senator should be released on bail since he was being detained on charges not existing in Philippine legal statutes. Enrile, 66, former martial law administrator during the regime of the late Ferdinand Marcos, was arrested on February 27 after being charged with rebellion with murder and multiple frustrated murder at the Quezon City Regional Trial Court.

Counsels for the three accused deposited bail totaling 100,000 pesos (4,545 dollars) for each of them at the Supreme Court to secure their immediate release.

Enrile was also charged with harboring a fugitive at the Makati Regional Trial Court.

"We humbly submit before this honorable court that the detention of Sen. Enrile is illegal, violative of his constitutional rights, and without any basis factual or legal," said former Justice Serafin Cuevas, one of the Enrile lawyers.

Editorial Welcomes Court Decision

HK0703081690 Manila PHILIPPINE DAILY INQUIRER in English 7 Mar 90 p 4

[Editorial: "Supreme Court Decision Settles Sticky Issues"]

[Text] The Supreme Court decision granting P100,000 bail to Sen. Juan Ponce Enrile is a welcome development, regardless of one's sympathies or lack thereof for the opposition solon.

Government prosecutors have charged Enrile with "rebellion complexed with murder and frustrated murder" in connection with the failed coup attempt last Dec. 1. Though rebellion is a bailable crime, murder isn't, which is why Enrile has been under government custody this past week in Camp Karingal in Quezon City. By bringing his case to the high tribunal, Enrile's lawyers had hoped to settle many questions surrounding the legality, and the very existence, of such charges. It is

the Enrile legal panel's contention that no such crime as "complex rebellion" exists, citing an earlier Supreme Court ruling.

Though the high court has not yet made a decision on the merits of the case, their vote of 10 in favor, four against, and one abstained on the question of bail for Enrile hints at their having grave doubts regarding the soundness of the state's case, particularly the validity of the "complex rebellion" charges.

This augurs well not just for Enrile and others who may be implicated in the alleged conspiracy behind the December putsch, but also for all other Filipinos currently in detention and held under similar charges.

Will others in similar straits, such as Rodolfo Salas, Satur Ocampo and Bobbie Malay, now being held on charges of rebellion "complexed" with other crimes, now be allowed to file for bail and possibly freedom? It should be remembered that Salas, alias Kumander [commander] Bilog, was even allowed to post bail by the Manila trial court in 1987, but he remains under detention to this day.

While the Supreme Court decision may prove to be a setback, it doesn't shatter the government's case. Though out on bail, Enrile still has to contend with the rebellion charges and with the lesser charge of harboring a fugitive. The team of prosecutors would do well to open their lawbooks once more and tighten up their case. And, as we said before, we can only hope the government has sufficient evidence to back the charges, otherwise, it would lend credence to the Enrile camp's accusations that the senator was held on spurious charges as part of a grand political vendetta. That may also undermine the people's faith in the grand majesty and impartiality of the law.

But so far, we can only be heartened by developments in the case, as they have shown the people—Enrile and cohorts, particularly—that the system can and does work. Enrile must even be commended for placing himself under the mercy and wisdom of the courts (but did he have a choice?), sending a message to men like the fugitive RAM [Reform the Armed Forces Movement] leaders and former Cagayan governor Rodolofo Aguinaldo that justice will be done them, even by a system they have mocked and spurned.

Enrile Resumes Duties as Senator

HK0703090790 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 7 Mar 90

[Text] Senator Juan Ponce Enrile has today resumed participation in sessions by the Commission on Appointments after a week of absence. The commission is presently discussing the nomination of Transportation and Communication Secretary Oscar Orbos and Agrarian Reform Secretary Florencio Abad.

Last night, Senate President Jovito Salonga and other senators gladly welcomed the court's decision on Enrile. Salonga said that doing such will give the court ample time to review the charge filed against Enrile, while he, in turn, could serve as a senator.

Another Suspect in December Coup Arrested

HK0603040990 Baguio City Mountain Province Broadcasting Company in English 0330 GMT 6 Mar 90

[Text] The authorities announced yesterday the arrest of another suspect in the coup attempt last year. Arrested by the NBI [National Bureau of Investigation] was Odi Serrano, eldest son of Korean war hero Boni Serrano. The young Serrano, together with ex-PC [Philippine Constabulary] officer Billy Bibit, is accused of taking out firearms and food items from the South Harbor, the customs zone, at the height of the coup attempt last December. Serrano was described as a special agent of the Customs Intelligence Division.

'200' Rebels Attack Ifugao's Provincial Command

HK0403003390 Manila THE MANILA CHRONICLE in English 3 Mar 90 p 7

[By correspondent Chris Bartolo]

[Text] Baguio City—The major communist counterattack started yesterday afternoon in Lagawe, capital town of Ifugao, when around 200 members of the New People's Army [NPA] attacked the busy provincial command Thursday night. The firefight was four kilometers from the PC [Philippine Constabulary] headquarteers in Lagawe and three kilometers from the public market.

Armored personnel carriers reinforced the provincial command troopers late in the afternoon. Later, Huey and Sikorsky helicopters coming from the northern Luzon command in Tarlac bombarded suspected NPA positions.

Military sources said the NPAs were still fighting back. Intelligence reports revealed that the NPAs had a general meeting in Hungduan before the attack. It was suspected that the raid in the provincial command was the offshoot of the meeting.

Military Chief Denies Report

HK0703092790 Quezon City Radyo ng Bayan in Tagalog 0500 GMT 7 Mar 90

[Text] Brigadier General Juanito Aquias, Cordillera regional command chief, denied a report that four towns in Ifugao are presently under New People's Army [NPA] control. Aquias said the towns of Hungduan, Potia, Tinoc and Banaue, while not under NPA control, are frequently threatened and visited by the communist rebels. He also explained that the ambush of military officials in Ifugao last week did indeed happen but was carried out by some 300 communist rebels.

Despite NPA threats in Ifugao, Aquias asserted that the area remains firmly under military control.

Rebel Leaders Said To Solicit Funds for Coup

HK1802002590 Manila THE MANILA CHRONICLE in English 17 Feb 90 p 3

[By correspondent Noli Cabantug with a report from Joey Caburnida]

[Excerpts] Fort del Pilar, Baguio City—Renegade Lt. Cols. Eduardo Kapunan and Victor Batac were in Baguio City recently soliciting funds from wealthy ultra-Rights supporters to finance another coup attempt this year, a CHRONICLE source said yesterday. The source said the two of the most wanted coup leaders came here from La Union through Naguilian Road aboard a heavily tinted car which Kapunan drove. They were thought to stay for a week in the city.

Reacting to this information, PC/INP [Philippine Constabulary Integrated National Police] intelligence chief Brig. Gen Gerardo Flores said, "This only confirms our suspicion that the rebel movement had exhausted its finances due to the protracted coup attempt last December." He added that this revelation bolstered earlier intelligence reports that Kapunan and Batac usually worked as a team. [passage omitted]

Meantime, a ranking cadet graduate of PMA [Philippine Military Academy] class 1990 disclosed that Honasan tried to recruit his class to the rebel cause.

Cadet First Class Arthur Bisna, first captain and regimental commander of the AFP [Armed Forces of the Philippines] cadet corps, said Honasan gathered and lectured to them in 1987 while they were on a special training course in Camp Laur, Nueva Ecija.

The rebel officer, according to Bisna, told them, "The military you are serving is retarded. I'll do something about it."

Rebels Said Trafficking Drugs for Funds

HK0503085590 Quezon City MALAYA in English 5 Mar 90 pp 1, 2

[By Fernando Marasigan and Manny Velasco]

[Excerpts] The Capital Regional Command said yesterday communist rebels are engaged in drug trafficking to raise funds for the underground movement as it reported the arrest of two suspected members of the Alex Boncayao Brigade [ABB], the New People's Army hit squad in Metro Manila, in a buy-bust operation in Valenzuela. [passage omitted]

Arrested by operatives of the Valenzuela police anti-narcotics unit in their house at 113 Valenzuela St., Marulas were Julieta Victoriano alias Ka Lita, alleged finance officer of the ABB, and Esperanza Barashari.

Police said they bought from the suspects 44 decks of shabu worth P154,000.

Victoriano and Barashari were presented to Aguirre and reportedly admitted being members of the ABB. Victoriano and Barashari had been under surveillance the last four months by the operatives of the Capcom and Valenzuela Police for selling prohibited drugs. The two are detained at the Marulas jail.

Rebel Claims Foreign Aid to Communist Movement

HK1802002790 Manila MANILA BULLETIN in English 17 Feb 90 pp 1, 21

[By Jen Jorvina]

[Text] Camp Canuto, Pili, Camarines Sur—A captured New People's Army (NPA) medical officer in Bicol revealed here yesterday that medical and dental equipment worth P1.8 million have been donated by two foreign nationals to the rebels for their civic action work in the barangays. She said that 54 NPA trainees from Quezon province and the Bicol region participated in a one-month dental and surgical operations training program conducted by four doctors from Manila in barangay Patalunan, Ragay, Camarines Sur, last December.

In a report to Brig. Gen. Thelmo A. Cunanan, 2nd Infantry Division commander, Col. Vic A. Mayo, 201st Infantry Brigade, identified the rebel medical officer as Milagros G. Perez alias Ka [comrade] Joan, 23. Perez, who is pregnant, was captured in an encounter by soldiers of the 22nd Infantry Battalion under Lt. Col. Marcial A. Collao.

Mayo said that the eight-man medical and dental team which engaged the troopers in a firefight was led by a certain Ka Marisel. Recovered at the encounter scene were one M-16 rifle, one carbine, one Icom radio hand set, dental and surgical equipment worth P20,000, and medicine.

In an interview, Perez disclosed that she finished the training Dec. 15 under the supervision of four doctors from Manila and the two foreign nationals who donated the dental and medical equipment. She did not reveal the foreigners' nationalities. The 54 NPA trainees were each given new dental and surgical equipment valued at P20,000, she said.

Ka Joan said the trainees came from Masbate, Albay, Sorsogon, Camarines Sur and Norte, and Quezon. She said that the NPA Southern Tagalog Regional Command was represented in the training by four women guerrillas, who will later be sent to the Bondoc Peninsula and the Quezon-Bicol border for civic action in the barangays.

Asked what kind of training they received from the Manila doctors, she said they were taught anatomy, treatment of common diseases, and acupuncture. They were also taught how to operate on patients with bullet wounds, adding that they sometimes used dogs in experiments. She said that acupuncture was taught to the rebel medical officers for one week.

Leftist Group Calls for End to Poverty

HK1902054590 Manila PHILIPPINE DAILY INQUIRER in English 19 Feb 90 p 2

[Paid Advertisement by the New Nationalist Alliance—boldface denotes passages in Tagalog]

[Text] **Tama na! [Enough] Sobra na! [It is too much] Palitan Na! [It is time for a change]**

Thus was the rallying cry at EDSA [Epifanio de los Santos] four years ago against the Marcos regime. It was the people's slogan usurped by Corazon C. Aquino and cohorts before they took over the reins of government.

In four years:

Poverty and deprivation worsened. The people's interests have been sold out to the IMF, World Bank, and the multinationals. Thievery in government became more fashionable. Social services have been dismal failures. And agrarian reform a fluke. Violations of human rights intensified with the regime's militarization and total war policy against the people.

After four years, it is high time that we use the battlecry against the U.S.-Aquino regime itself.

Tama na!

Sobra na!

We dare,

Wakasan na and kahirapan at kaapihan! [Stop poverty and suppression]

Wakasan na ang paghahari ng dayuhan at iilan! [Stop foreign rule and control by a few]

Itayo ang gobyerno ng bayan! [Set up a government for the country]

Bagong Alyansang Makabayan [New Nationalist Alliance]

Be there!

22 February, Liwasang Bonifacio, (Central Post Office, Manila); 2 pm Assembly at Welcome Rotunda, Quezon City.

Anti-Communist Offensive Launched in Mindoro

HK0503044590 Manila MANILA BULLETIN in English 5 Mar 90 p 1

[Report by Owen Masaganda]

[Text] Roxas, Mindoro Oriental—Constabulary authorities have launched a big offensive against communist guerrillas on Mindoro Island and Quezon province, Brig. Gen. Evaristo G. Carino, Recom [Regional Command] 4 PC-INP [Philippine Constabulary-Integrated National Police] chief, said yesterday. Carino helicoptered here Saturday [3 March] with his staff officers and installed Col. Reynaldo Logan, Recom 4 Constabulary deputy chief, as commander of "Task Force Mina de Oro," which is leading the offensive.

The task force, which established its headquarters in San Jose, includes eight PC companies and seven groups of Citizens Armed Forces Geographical Unit (CAFGU). The task force also includes the two PC commanders of Occidental Mindoro—Col. Edgardo Maristela and Col. G. Garcia.

Meanwhile, Col. Saturnino Medina, deputy regional commander for administration, was named "Task Force Hunter" chief and under him are two PC companies in Quezon, two in Batangas, and one in Laguna. Quezon Constabulary commander Col. Reynaldo G. Wycoco is operating in the central towns and the Bondoc peninsula.

Other AFP [Armed Forces of the Philippines] units operating with the Recom 4 PC-INP are the 4th Air Composite Support Force of the Philippine Air Force under Col. Abelardo Abad, and the 5th Philippine Coast Guard based in Batangas City under Capt. Eduardo Ma. Santos. Santos told the BULLETIN that he has deployed the Patrol Craft Force (PCF) in the South China Sea between Quezon and Mindoro to prevent rebel movements.

It was learned that the ambush of Lt. Col. Romulo Decena in Victoria, Oriental Mindoro Nov. 7 and the slaying of seven policemen including their chief of police in Bongabon, Oriental Mindoro, were both undertaken by rebels from Quezon who crossed the sea to Mindoro. Maristela told Carino that the two suspected ambushers of the policemen had been captured and two firearms were recovered. Maristela said that eight suspected rebels are detained at the PC company stockade here and charges of rebellion have been filed before the court. Two other NPA [New People's Army] suspects believed to be the killers of Decena were held at the Pinamalayan PC-INP jail.

'Suspected' Communists Kill Intelligence Agent

HK0703081890 Manila PHILIPPINE DAILY INQUIRER in English 5 Mar 90 pp 1, 6

[Text] Four suspected communist gunmen shot dead early yesterday morning an intelligence agent of the Capital Region Command [CAPCOM] as he was playing basketball near his house in Tatalon, Quezon City. Police said Sgt. Arnulfo Rafosas, 38, was hit twice in the back of the head and died on the spot.

The killing followed a grenade explosion near Malacanang and the residence of President Aquino Saturday night. A 13-year-old boy was wounded. The grenade exploded at about 7:35 p.m. at a gasoline station on Arlegui and Nepomuceno streets, damaging a car parked nearby.

Wounded was Arnel Cabrera, who sustained shrapnel wounds in the leg. He was taken to the Jose Reyes Memorial and Medical Hospital. Police could not say who was responsible.

Pfc. Reynaldo Medina, Quezon City police homicide investigator, said Rafosas was about to make an inbound pass in a bas-ketball game at about 9:45 a.m. when three gunmen shot him at close range with .45 cal. automatics. Medina said the assailants commandeered a passing tricycle and fled toward Sto. Domingo Church.

He said the gunmen identified themselves to the tricycle driver as members of the Communist New People's Army. The tricycle driver was not harmed.

A certain Major Blando, who identified himself as a CAPCOM intelligence officer, tried to prevent newsmen from getting the story on Rafosas' killing. Newsmen complained that Blando tried to shoo them away from the investigation section of the Quezon City police and threatened them with bodily harm.

Aquino Certifies Bill Delaying Cordillera Voting

HK0603024190 Manila Far East Broadcasting Company in English 2300 GMT 5 Mar 90

[Text] President Aquino certified to Congress a bill calling for the postponement of the elections for officials of the Cordillera Autonomous Region. In a letter to Speaker Ramon Mitra, the president certified the necessity of the immediate enactment of House Bill 28635, calling for the postponement of the first regular election for governor, deputy governor, and members of the regional assembly of the Cordilleras.

Senate Approves Postponement

HK0703065790 Manila Far East Broadcasting Company in English 2300 GMT 6 Mar 90

[Text] The Senate approved on second and final reading a bill postponing the election of officials for the Cordillera Region from March 12 1990 to March 12 1991. Approved was House Bill No. 28635, authored by Representative Walberto Lumawig. In approving the bill, the Senate said the one-year postponement will enable Congress to determine whether Ifugao Province alone can stand as a region, considering that it is the only province among the five which voted for the formation of the Cordillera Autonomous Region. The region is supposed to have elections for governor, vice governor, and members of the assembly.

House Approves Postponement

HK0603102590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 6 Mar 90

[By Jennifer Postigo]

[Text] The House of Representatives approved in its thrid and final reading, a bill postponing the first regular election for regional assembly officials in the Cordillera Autonomous Region from 8 May to 1 October 1990. House Bill No. 28635, filed by Representative Magdaleno Palacol of Laguna and Gualberto Lumawig and also sponsored by members of the Committee on Suffrage and Electoral Reforms, was approved after President Corazon Aquino certified it urgent. Based on Republic Act 6766, establishing the autonomous region of Cordillera, the first regular election for a governor, deputy governor, and members of the regional assembly is scheduled for the second Monday of May this year, but since the plebiscite in the region failed, in that only one province approved of the autonomy, many problems arose in relation to the implementation of the Organic Act. Because of this, the legislators had no more time to amend some of the provisions in the Cordillera Autonomous Region law resulting in the postponement of the scheduled elections. The legislators explained they needed more time to study the amendments so that they could come up with something that could best fit the situation in the Cordilleras.

$709 Million Loan Agreement Signed 28 Feb

HK2802052190 Quezon City Radyo ng Bayan in Tagalog 0500 GMT 28 Feb 90

[Text] An agreement providing for $709 million in new money to the Philippines by eight foreign banks was signed in Tokyo, Japan today. The eight foreign private banks are from the United States, Japan and Europe.

Finance Secretary Jesus Estanislao who headed the Philippine delegation said that the country was the second to receive a new cash injection under the so-called Brady Plan. The first country to benefit under the plan was Mexico.

Thailand

PRC Defense Minister Meets Chatchai, Chawalit

Meets With Chawalit 5 Mar

BK0603104090 Bangkok THAI RAT in Thai 6 Mar 90 pp 3, 18

[Text] Speaking to reporters after his meeting with PRC Defense Minister General Qin Jiwei at the Supreme Command Headquarters yesterday, General Chawalit Yongchaiyut, army commander in chief and acting supreme commander, said that Gen. Qin Jiwei's visit was an ordinary courtesy call made to an old friend during his stopover in Thailand after completing his visit to Pakistan and Bangladesh. During the meeting, they only reaffirmed friendship and did not seriously discuss any issue, including military assistance or Thailand's plan to purchase weapons from China.

Asked whether the Cambodian issue was raised during the meeting, Gen. Chawalit said that no issues concerning the Cambodian problem, including the announcements by various parties to reduce their assistance to Cambodia or the Jakarta meeting which failed

to make any progress for a settlement, were discussed. He also added that the Chinese defense minister may not be in charge of this issue. When asked about the prospects of the Cambodian problem following the failure of the Jakarta meeting, Gen. Chawalit replied that we have to continue to make strenuous efforts and that it is the duty of all parties to try to help settle the problem. Everyone has tried their best because they want to see peace in that country, but we will have to be patient because creating peace is not an easy job, he said.

Holds Talks With Chatchai

BK0603150990 Bangkok Domestic Service in Thai 1300 GMT 6 Mar 90

[Text] PRC Defense Minister General Qin Jiwei paid a courtesy call on Prime Minister General Chatchai Chunhawan at Government House at 1500 today on the occasion of his visit to Thailand. He was accompanied by General Wanchai Ruangtrakun, permanent secretary of the Thai Defense Ministry, and PRC Ambassador to Thailand Li Shichun.

The PRC defense minister said that this is a private visit, and that he visited Thailand once last year when he was appointed defense minister. He is making a stopover in Thailand now after visiting Pakistan and Bangladesh. The Chinese defense minister conveyed to the prime minister best regards from President Yang Shangkun and Prime Minister Li Peng who consider the Thai prime minister a key person in establishing close relations between Thailand and China.

Prime Minister Chatchai expressed gratification for the close cooperation between political leaders and the armed forces of the two countries. He stressed that efforts should now be made to strengthen economic and trade relations. China is urged to contribute to cooperation among countries in Asia and the Pacific so that the region can be on par with other regions. The PRC defense minister supported the views of the Thai prime minister.

Statement Issued on Talks

BK0603152990 Bangkok Domestic Service in Thai 1300 GMT 6 Mar 90

[Statement by Likhit Hongladarom, deputy spokesman of the Prime Minister's Office, on results of 6 March meeting between Prime Minister General Chatchai Chunhawan and PRC Defense Minister Qin Jiwei—recorded]

[Text] Both leaders exchanged views on relations between Thailand and China, such as diplomatic and personal exchanges and military relations. The prime minister said that the Thai Armed Forces are proud that some of its units are using Chinese weapons.

In addition, both leaders stressed trade and economic relations, especially dealing with Asia-Pacific cooperation. During the meeting, much time was spent discussing the next steps for the talks on a settlement of the Cambodian problem. Chatchai told the Chinese defense minister that Thailand had arranged to have all four Khmer factions attend the Jakarta meeting, and the results of this meeting are already known. The prime minister said that the next step will depend on China's role and that Thailand is ready to cooperate with China on this issue. The Chinese side reaffirmed its stand on the Cambodian problem, especially toward Vietnam and the reduction of the combat forces of all four Khmer factions to prevent further fighting. Prime Minister Chatchai requested that the Chinese defense minister take his suggestions into consideration.

Government To Close Cambodian Refugee Camps

Chatchai Calls for Camp Closure

BK0703025590 Bangkok BANGKOK POST in English 7 Mar 90 pp 1, 3

[Text] Prime Minister Chatchai Chunhawan yesterday proposed the closure of all border camps which house 300,000 Khmer displaced persons and sending them to the United Nations-run neutral camps, a government spokesman said yesterday.

The Cabinet yesterday also assigned the permanent secretaries of Defence, Interior, and Foreign Affairs, and the Secretary General of the National Security Council to immediately examine the premiers's proposal and submit their findings to the Cabinet, Deputy Government Spokesman Likhit Hongladarom said yesterday. Gen Chatchai cited unease on the part of the Thai Government concerning reports of inadequate security, factionalism, corruption, and political pressure within the border camps.

"The Thai Government is unhappy over these reports, and therefore has deemed it proper to close all the camps for Cambodians, and set up neutral camps operated by the United Nations to take care of these displaced people," Dr Likhit said.

The spokesman added that the Foreign Ministry was assigned to contact the Phnom Penh regime to accept Cambodian returnees as soon as possible.

"At the same time, the Prime Minister will inform all the superpowers to stop sending arms and military aid to the four Cambodian factions," he said.

Deputy Foreign Minister Praphat Limpaphan said neither the assignment for the Foreign Ministry to contact Phnom Penh, nor the participation of its permanent secretary in the working group to examine the Premier's proposal were raised at the Cabinet meeting.

Currently some 300,000 displaced Cambodian people are living in eight UN-assisted camps along the border

from Surin in the Northeast to the eastern province of Trat. These camps are under the supervision of the Supreme Command.

The spokesman added that Gen Chatchai also raised the neutral camp issue during his talks with visiting Chinese Defence Minister Qin Jiwei yesterday, but "several of their views were different," he said.

NSC [National Security Council] Chief Suwit Sutthanukun said the Prime Minister's proposal was in line with the reality that these Cambodians fled the war into Thailand, and they should return now that the situation had improved.

Meanwhile, Interior Minister Banhan Sinlapa-Acha disclosed that the Prime Minister also instructed the Interior Ministry to "act swiftly" on reducing the number of refugees as well as refugee camps all over the country.

According to Mr Banhan, the Premier's instruction came during yesterday's Cabinet meeting. The Interior Minister said he would discuss the Prime Minister's order with the Defence Ministry. Mr Banhan said the refugees would be asked to return on a voluntary basis, and Thailand was not likely to impose mandatory repatriation.

"The Prime Minister told the Cabinet meeting that it is impossible for Thailand to continue to shoulder the burden of refugees, and it is time to do something about this matter," Mr Banhan said. The closure of refugee camps will be carried out gradually.

"We may start by closing the major ones and integrate them into one camp," Mr Banhan said. "Resettlement may not be possible as there won't be any third country willing to take them. We will have to find other measures which will be the joint decision of the Interior and Defence ministries," he said.

Spokesman Announces Decision

BK0603133490 Bangkok Domestic Service in Thai 1200 GMT 6 Mar 90

[Report on cabinet meeting by Likhit Hongladarom, deputy spokesman of the Prime Minister's Office, at the press session at Government House this afternoon—recorded]

[Text] Cambodian refugees at the border have been causing us numerous problems, especially the problem of security in each camp. They are divided into groups and factions under the control of different leaders. There are cases of fraud in various forms. In each center, there are influential people bullying and taking advantage of others in trade and business. They try to pressure refugees by preventing them from returning to Cambodia or leaving for third countries.

The Thai Government is not happy with the situation and has therefore decided to close all refugee centers and to replace them with a neutral camp [preceding words in English], which is to be set up with the United Nations' cooperation in the form of an assistance budget to feed the refugees.

The Foreign Ministry has been instructed to contact the Heng Samrin government in Cambodia to urgently take back the Cambodian refugees. The prime minister will also try to advise all world powers to stop giving weapons or other military supplies to the four Cambodian factions.

According to the cabinet decision, permanent secretaries of the Defense, Interior, and foreign ministries and the secretary general of the National Security Council are assigned to work on the prime minister's proposal and to submit a detailed recommendation to the cabinet urgently.

Chatchai Orders Repatriation Plan

BK0703015790 Bangkok THE NATION in English 7 Mar 90 p 1

[By Atthawibun Sisuworanan and Kunlchada Chaiphiphat]

[Text] In a surprise shift of policy, Prime Minister Chatchai Chunhawan yesterday instructed the Interior and Defence Ministries to draw up a plan to repatriate the 300,000 displaced Cambodians living along the Thai border.

Chatchai, after briefing the Cabinet about the failure of Cambodian peace talks in Jakarta last week, told the ministers that Thailand could no longer shoulder the burden of hosting such a large number of displaced persons on its soil.

Most of the Cambodians took refuge in Thailand after the Vietnamese invasion of their country in 1978, thoughs some came earlier during the Khmer Rouge reign of terror in 1975-78. There are now 10 major camps along the Thai border under the control of the resistance factions and financed by the United Nations and donor countries.

Thailand's position up to this point has been in line with other ASEAN countries—that repatriation of the Cambodians would only come as part of a comprehensive peace settlement. But deputy government spokesman Likhit Hongladalom said yesterday that Chatchai had told the Cabinet there must be a "certain limit" on the amount of time before repatriation takes place.

Chatchai also informed the ministers that he had asked China, the Soviet Union, the United States and France—the main backers of the four Cambodian factions—to stop their flow of arms into the war-torn country.

Interior Minister Banhan Sinlapa-Acha said after the meeting he was ordered to study and draw up a repatriation programme with the cooperation of Permanent Secretary for Defence Gen Wanchai Ruangtrakun and the National Security Council General Secretary Suwit

Sutthanukon. The three agencies are at present directly responsible for the Cambodians in Thailand.

The repatriation plan will be ready to be examined by the prime minister sometime next week, said Banhan, who added that he would make a factfinding visit to the border camps within the next couple of days.

Likhit said the Foreign Ministry had been instructed to contact the government in Phnom Penh to prepare for the repatriation. The deputy spokesman quoted Chatchai as saying it was time for Thailand to ease its longstanding burden of the displaced Cambodians and related problems such as corruption and weapons smuggling along the border.

Likhit commented that violations of human rights by Cambodian administrations were prevalent and widespread within the camps.

Banhan said Chatchai proposed that neutral camps be set up to accommodate displaced persons who wish to dissociate themselves politically from the political factions.

The premier said most of the displaced persons have been forced against their will to live under the control of the Cambodian resistance groups, the minister said. These Cambodians would be repatriated shortley after being moved to the neutral camps, while those still in the resistance camps would be allowed to move back to Cambodia with their political patrons.

Sources pointed out that at the initial stage of the mass influx of Cambodians into Thailand, most were regrouped in temporary camps along the Thai border by Thai authorities who later oversaw the takeover of administration by the resistance groups.

Asked whether the move would be viewed as inhumane and draw objections from international aid agencies, Banhan said such concerns could be settled in negotiations. He said the process, though gradual, would be inevitable. He added that the ministry and the Thai Army would still find ways to help Cambodian refugees rejected for resettlement in third countries while facilitating the voluntary repatriation programme.

Chatchai on Hosting New Round of Cambodian Talks

BK0703012990 Bangkok BANGKOK POST in English 7 Mar 90 p 6

[Text] Thailand will not host a new round of Cambodian talks as proposed by resistance leader Prince Norodom Sihanouk, Prime Minister Chatchai Chunhawan said yesterday.

The Prime Minister was responding to reporters' questions on Prince Sihanouk's proposal for Bangkok to host a meeting of ASEAN, Vietnam and China to resolve the Cambodian problem.

"I haven't thought about it yet because the Jakarta meeting is just over. Anyway, we want peace to return to Cambodia, and this must be the concern of the Cambodian parties themselves because other countries are getting fed up," the Premier said.

An informed source said that before proceeding with the agenda for Cabinet's weekly meeting yesterday, the Premier told members that as the Cambodian factions failed to agree in Jakarta—and there is not yet any sign that they can reach an agreement—Thailand will not host such a meeting, but will only monitor developments on the issue.

Asked whether Thailand will consult ASEAN on the possibility of peace talks resuming, Gen Chatchai said this depended on the enthusiasm of the four Khmer parties. "Right now they are just indifferent."

Thailand has already carried out its task by convincing the four factions to attend the Jakarta talks, he said.

"We consider our duty done. The Cambodians must manage their own future as others are tired they just cannot reach an understanding," the Prime Minister said.

The Government will not review its Cambodian policy as the House is about to reconvene, Gen Chatchai said in reply to the question.

Meanwhile, Deputy Government Spokesman Likhit Hongladarom quoted the Prime Minister as telling Chinese Defence Minister Qin Jiwei that Thailand is ready to cooperate with China in finding a Cambodian settlement.

The Defence Minister called on Gen Chatchai at Government House yesterday. Their discussion, according to Dr Likhit, focussed on Cambodia.

"The Premier informed the Defence Minister that, as the results of the Jakarta talks are known to everybody, the next step in the peace process will depend largely on the role of China, and Thailand is ready to lend full cooperation," Dr Likhit said.

The defence minister reportedly reiterated China's position on the Cambodian issue and towards Vietnam.

Sitthi Speaks on Asia-Pacific Cooperation

BK0303013290 Bangkok THE NATION in English 3 Mar 90 p 8

[Excerpts from keynote address by Foreign Minister Sitthi Sawetsila at the international conference on "Cooperation in Asia-Pacific: The Roles of Japan, USA, China, NICs (Newly Industrialized Countries), and ASEAN" in Bangkok on 2 March]

[Text] The Asia-Pacific Cooperation has been a topic much talked about nowadays. Pacific cooperation is not a new concept. The idea has been floated for some time, but only during the mid 1960s did it achieve attention

and some concrete plans it deserved. It began to gather momentum and gained interests in the United States and Japan, the principal players of the region, only in the late 1970s. The surge in the volume of the US Pacific trade which for the first time exceeded that of the Atlantic brought home the emerging economic importance of the Pacific Rim countries. In Japan, Prime Minister Ohira also had taken a keen interest in the Pacific Basin cooperation. His initiative led to the inaugural meeting of the Pacific Economic Cooperation Conference, the PECC, in Canberra in 1980.

On her part, Thailand has always supported the PECC and actively participated in its activities. At the same time, she has long recognized the significance and dynamism of the Pacific Rim countries as well as the realization of the forthcoming Pacific Century and its inherent relevance to the growth of ASEAN economies. Indeed, the Pacific Century was chosen as the major theme of the address given by General Prem Tinsulanon, the then prime minister of Thailand at the ASEAN Third Summit in Manila in December 1987.

Soon after taking up office, his successor, General Chatchai Chunhawan, also expressed ardent support for the Asia-Pacific Economic Cooperation [APEC] when the idea was proposed to him by Prime Minister Bob Hawke of Australia during his official visit to Thailand in February 1989.

After over four decades of Cold War and international confrontations, the world has now entered a new era. With international tension being reduced and ideological differences weakened, the world is now witnessing an increasing economic interdependence both on the regional and global levels. In such a new setting, the Asia-Pacific region which includes the world's largest economy, the United States, and such economic superpower as Japan, could not avoid being but the focus of world economic activity.

At the same time, in the other hemispheres, the United States and Canada have entered into a free trade agreement, the European Community is also preparing itself for the 1992 Single Market which would certainly enhance further the Community's economic efficiency, competitiveness and prosperity. Faced with this new economic environment in an increasing multipolar world where economic interdependence and global cooperation are becoming the norms, the Pacific Rim countries must prepare themselves for the challenges.

It was against this background that Prime Minister Bob Hawke's Asia-Pacific Cooperation initiative early last year was warmly welcome by most quarters as "an idea whose time had come."

Allow me, perhaps, as one of the participants at the Canberra Meeting, to share with you some of the thoughts on APEC that deserve further consideration at this conference.

First, on the question of participation, as you are well aware, there are already 12 Pacific Rim countries participating at the present. Of all these participants, the 6 ASEAN countries with its impressive economic growth throughout the last decade will form an indispensable part of APEC. Without ASEAN contribution and participation, APEC would not be able to operate as a truly regional economic cooperation grouping for Asia-Pacific.

The economic importance of the other 6 participants, particularly the United States and Japan, is already a recognized fact. Nevertheless from the very beginning, there have been proposals that APEC should also include China, Mexico, and Taiwan. And after the Canberra Meeting, Chile, Mexico and the Soviet Union have also expressed a keen interest to join in.

Thailand of course believes that the question of future participation should remain an open subject and maintains that Asia Pacific Economic Cooperation will be further enhanced by the subsequent participation of significant regional players. However, as it has already been agreed among the 12 participants at Canberra that APEC is still in an exploratory, consultative stage, the cooperation may have to continue with the present 12 at least for the time being.

Secondly, APEC is meant to build on the premise that there would be recognition of equal respect for the views of all participants and the need for open dialogue and consensus despite the diversity in size and levels of development of the economies of participating countries.

It remains to be seen if ASEAN's fear of economic or political domination by larger economies in APEC would be dispelled and APEC would work for the common benefit of all participants. That is another reason why ASEAN would go along with the early implementation of some priority projects in the work programme in order to be able to make an objective assessment, while at this exploratory stage whether APEC would operate for the prosperity of all in the region as a whole.

Thirdly, there was a consensus at least among ASEAN countries that APEC should draw upon the ASEAN valuable experience and that ASEAN should play a pivotal role in this new cooperation.

Some participating countries suggested that APEC should be able to operate more effectively under an independent mechanism outside the framework of ASEAN. But ASEAN believes that when the time for the institutionalization of APEC comes, a modified existing ASEAN mechanism would best provide a suitable and effective structural basis for APEC. This is because apart from being an indispensable part of this Asia-Pacific Cooperation, ASEAN has already fostered a mechanism for dialogue relations with five of the APEC participants and recently established a sectoral dialogue with the Republic of Korea.

In addition, the adoption of the APEC structure as such a basis could significantly ease ASEAN concern over its identity, cohesion and interests being undermined by the creation of a new and broader framework for economic cooperation.

Yet for ASEAN to maximize the role it is expected to fulfil in this new entity, I believe, there is not much time for complacency. ASEAN must keep abreast of and adjust itself to the prevailing global trend. I am convinced therefore that the immediate task for ASEAN before the unveiling of the Pacific Century is but to redouble its efforts to further strengthen the intra-ASEAN economic cooperation as effectively and as fast as it can.

If we succeed in that now, the future of not only APEC but also the Pacific Century shall be secured in our hand.

Villagers Say Burmese Compensation Inadequate

BK2402050290 Bangkok THE NATION in English 24 Feb 90 p 2

[By Aphisak Thanasettakon, Yindi Loetcharoenchok]

[Text] Mae Sot, Tak—Residents of a village that was burnt down last year by Burmese troops told two Cabinet ministers visiting this northern district yesterday that compensation for their gutted shophouses was much less than their losses.

Deputy Foreign Minister Praphat Limpaphan and Deputy Agriculture Minister Udon Tantisunthon were making a brief visit to the deserted village of Ban Wang Kaeo, burnt down last May when 200 Burmese troops crossed into Thailand to attack the Karen camp of Kaw Mura. About 200 houses were destroyed in the incident.

After a lenghty investigation, the Burmese government agreed to pay Thailand about Bt19.2 million in compansation for a number of border incursions that resulted in destruction and Thai deaths, including Bt1.8 million for Ban Wang Kaeo, but has failed to follow up with any money. Praphat and Udon visited the village after a briefing on the present Thai-Burmese border situation from Task Force 34, who told them that two battalions of Burmese troops intruded into Ban Wang Kaeo again early this month.

Udon told the villagers that the Cabinet had agreed last Tuesday [20 February] to advance the Bt 19.2 million to all the affected villages, and that the money would reach them soon through the Thai armed forces.

But Yotkham Tasali, leader of the group, told the two ministers that she had learned through a confidential official document that her village would receive only Bt1.8 million, whereas their actual losses amounted to around Bt20 million.

Udon agreed to consider the villagers' complaints and asked them to submit details of their losses.

Chatchai Holds 'Private Talks' With Chawalit

BK0603014590 Bangkok THE NATION in English 6 Mar 90 pp 1, 3

[Text] Prime Minister Chatchai Chunhawan said yesterday that preparations for a Cabinet reshuffle involving "many key portfolios" was now underway. But he said the changes would not affect other partners in the coalition government, only Chat Thai MPs [members of Parliament]. [sentence as published] Chatchai refused to give details, saying it would not be appropriate before His Majesty the King approved the Cabinet appointments.

The premier repeated his offer for outgoing acting Supreme Commander General Chawalit Yongchaiyut to take over as deputy premier and defence minister. Chatchai and Gen Chawalit last night held private talks at Phitsanulok House, the seat of the MP's policy advisers. Chatchai was believed to press for Gen Chawalit's commitment on his offer during their meeting.

Later in the night, Finance Misdnister Pramuan Saphawasu visited the premier at his Ratchakhru residence amid speculation that the Chat Thai minister might lose his portfolio in the reshuffle.

An aide of Gen Chawalit said the army chief was not expected to give a definite answer to Chatchai's offer as he was in no hurry to make a commitment. "It is in his favour to remain non-committal on the issue," said the aide who asked not to be named.

Chatchai has been wooing Gen Chawalit to enter his coalition Cabinet in what the Opposite claim is an effort to shore up his government stability. Chatchai and other Chat Thai ministers denied they needed Gen Chawalit to secure military support for the government but said the outgoing army chief was qualified for a Cabinet post and was fit enough to further serve the country.

The aide said Gen Chawalit brought files on the Cambodian issue and the army-initiated Green Isan project with him to Phitsanulok House last night.

"My guess is that the army chief was there to talk about issues that Chatchai may raise during his visit to Europe. He may have also assured the premier that he would help look after the political situation during his overseas trip," the aide said. Chatchai will leave for Denmark and Belgium tomorrow and return on March 11.

Gen Chawalit last night declined to answer questions on his meeting with the premier when he attended an official function at the Landmark Hotel.

Before the meeting, Chawalit appeared interested in Chatchai's offer but would not make any commitment.

He said he wanted two other top-ranking military officers to resign at the same time to "work alongside me for the good of the country." Gen Chawalit was referring to Army Chief-of-Staff Gen Charuai Wongsayan and the

Defence Ministry's Inspector General Gen Phat Akkhanibut, who are due to retire in October.

Gen Chawalit dismissed the argument that he should make his political debut via the ballot box in an election. "It's not against the Constitution for a non-MP to become a Cabinet member," he said.

Chawalit said he was grateful for Premier Chatchai's offer but refused to make any commitment on the issue until details have been discussed. "It will take only a split second to decide but for the moment, I have not made up my mind," he said.

Chawalit downplayed the mixed reactions to the premier's offer and said he was open-minded on the comments.

"I am still young and that's why some feel I could contribute by joining the coalition while others think it would not be good for me to do so," he said.

He claimed criticism against his joining the Cabinet was irrelevant. "Whether I take any Cabinet post will be dictated by considering the good of the nation. No personal motives would come into play. If I take the deputy premier or any Cabinet post, it would not be unconstitutional," he said. The most important criterior is "conscience", and not the status of an MP, he said.

Gen Chawalit said on Saturday that he would submit his resignation immediately following a ceremonty to receive a Ramathipbodi sash from His Majesty the King on March 27.

"Some think that in resigning from the military I would be deserting my duty to the nation and His Majesty the King. That's absolutely untrue," he said.

Gen Chawalit said he was now "very happy" after announcing his decision to quit. Gen Chawalit had earlier said he would make up his mind on his political future after listening to the "public response".

Opposition MPs yesterday continued to dispapprove of an unelected Gen Chawalit entering the Cabinet while several Cabinet members agreed to his participation. Even Democrat MP's Office Midnister Suphattra Matsadit said any "qualified non-MPs" should be welcome in the Cabinet.

Former premier M.R. Khukrit Pramot also urged Gen Chawalit to join the government, saying he would otherwise have to wait for a general election that was 18 months away.

State Enterprise Unions To Join Study Panel

BK0103040590 Bangkok THE NATION in English 1 Mar 90 pp 1, 2

[Text] The government, attempting to defuse the intensifying labour campaign against its privatization policy, announced yesterday that state enterprise unions will be invited to join a committee to study policies concerning state-run firms.

The decision to set up a tripartite committee was reached during a meeting between Cabinet members and permanent secretaries of all ministries yesterday. The privatization issue was one of several contentious matters raised during the unprecedented meeting.

But the government refused the labour demand that it immediately scrap the policy of allowing the private sector to take over projects of state monopolies.

A press release issued after the meeting said the government "will continue to carry out its policy declared to Parliament, aimed at improving the efficiency of state enterprises...and to support the private sector's role in catering to increasing public demands".

The release said the planned tripartite committee, to be chaired by Deputy Prime Minister Thianchai Sirisamphan, would comprise union leaders and administrators of state enterprises, public servants and academics.

Government leaders, however, appeared to soften their stand yesterday, the second day of sporadic protests by employees of the Telephone Organization of Thailand (TOT) and the Electricity Generating Authority of Thailand (EGAT).

Interior Minister Banhan Sinlapa-Acha said yesterday that he and Deputy Prime Minister Thianchai Sirisamphan will go on TV next Tuesday to clarify the government's privatization policy.

Prime Minister Chatchai Chunhawan and Banhan said yesterday the government "will not completely privatize" state enterprises but only "develop" them, by allowing limited participation by the private sector.

"We should stop talking about privatizing state enterprises. Let's discuss only how we can develop them," Chatchai said.

Banhan said the labour movement had "misunderstood" the government policy regarding state enterprises, adding that the government only wanted to improve the efficiency of the state firms.

"No government in the world can cope with the increasing need for public utilities without help from the private sector. The private sector's involvement in state-managed affairs is unavoidable in any country," Banhan said.

But the assurances failed to pacify the unions, who insisted that the private sector must be unconditionally barred from operations of state enterprises.

Unionists leading the anti-privatization campaign met Deputy Interior Minister Watthana Atsawahem, who oversees labour affairs, last night to further discuss the issue.

Watthana told the union leaders, led by Secretary-General of the State Enterprise Relations Group Ekkachai Ekhankamon, that he was also against the privatization policy and would help them negotiate with the government. Watthana and the union leadsers will meet Chatchai at the prime minister's Soi Ratchakhru residence this morning.

Before the meeting with Watthana, Ekkachai warned that the labour movement would resort to "drastic action" if the government went ahead with its privatization policy, but did not elaborate.

Hundreds of TOT and EGAT employees will hold separate "extraordinary meetings", which are a form of strike allowed by the Labour Relations Act. There have been no reports of disruptions in services by the two agencies.

Vietnam

Nguyen Van Linh Receives USSR's Gusev 6 Mar

BK0603151490 Hanoi Domestic Service in Vietnamese 1430 GMT 6 Mar 90

[Text] On the afternoon of 6 March, at the Thong Nhat Conference Hall in Ho Chi Minh City, Comrade Nguyen Van Linh, general secretary of the party Central Committee, received Comrade Gusev, member of the CPSU Central Committee and vice-chairman of the Soviet Council of Ministers. In an atmosphere of comradeship and openness, Comrade Gusev informed Comrade Nguyen Van Linh of the current situation and of the urgent tasks of restructuring in the Soviet Union and of the process of preparing for the 28th CPSU Congress. Comrade Gusev expressed his elation over the very important initial achievements recorded by the Vietnamese people in the cause of renovation in line with the Sixth Congress of the Communist Party of Vietnam [CPV] as well as new progress in developing and enhancing the efficiency of bilateral cooperation in all fields.

Comrade General Secretary Nguyen Van Linh expressed his firm conviction that the Soviet people, under the CPSU's leadership, will overcome all difficulties and achieve many successes in the restructuring process in the Soviet Union, thereby giving fresh vitality to socialism for the people's happiness and making active contributions to the causes of peace, national independence, democracy, and socialism throughout the world. Comrade Nguyen Van Linh affirmed: The Communist Party and people of Vietnam, now as before, unceasingly strive to consolidate and develop the lasting and close friendship and all-around cooperation with the Soviet Union, the land of Lenin and the Great October Revolution. This is the principled line of the CPV and the internationalist sentiments of all Vietnamese.

On this occasion, Comrade Nguyen Van Linh asked Comrade Gusev to convey to Comrade Gorbachev and other Soviet party and state leaders his cordial regards and heart-felt gratitude for the support and assistance of the Soviet people for the cause of building and defending the socialist Vietnamese homeland. Present at the reception were Comrade Nguyen Co Thach, member of the Political Bureau and vice-chairman of the Council of Ministers; and Kachin, Soviet ambassador to Vietnam.

Tran Xuan Bach Article Discusses Renovation

BK0603154190 Hanoi TAP CHI CONG SAN in Vietnamese Jan 90 pp 46-51

[Article by Tran Xuan Bach in the "Research and Exchange of Opinions" section: "Some Reflections on the Path Toward Renovation"]

[Text] Editorial note: We received this article, "Some Reflections on the Path Toward Renovation," which recorded the opinions expressed by Comrade Tran Xuan Bach at a dialogue held at the Economics Club in Hanoi on 7 December 1989. To help broaden the exchange of ideas, we solemnly present this article to our readers as follows:

What was our old economic thinking? It was our understanding that the socialist economy was a uniform economic system made up of two components—state and collective. This concept led to an exaggeration of the role of production relationships and created the belief that the revolution of production relationships must precede other revolutions. It also resulted in a high concentration of the economic management mechanism in the hands of the central government. To be in complete control of the economic process from production to marketing, a government must be set up in which each ministry functions as a technical economic branch.

The war made it necessary for us to centralize leadership, but it also caused fragmentation and partition. At the same time, the need to be prepared to cope with unexpected developments on the spot gave rise to the notion of "local economy," causing a tug-of-war between the center and the localities. The war weakened productive power, which led to numerous social consequences, to tensions between accumulation and consumption, and to budgetary conflicts between national defense and the economy. The war enabled us to obtain generous military and economic aid from fraternal countries. However, it also compelled us to strengthen ourselves as a precaution against blockade and a reduction in foreign aid to our country.

The situation of uninterrupted hostilities created both a tendency for dependence and a willingness for self-reliance. It also bred a desire for fully developed heavy industry and an inflow of capital from fraternal countries to meet the requirements of that industry. The age-old tradition of struggle against foreign aggression has been a guarantee of great victories during wars of resistance. At the same time, it may foment xenophobic sentiments in peacetime and perpetuate the need to maintain a large defense budget.

At this juncture, although nobody wants to mention it, the fear of being accused of "slackening vigilance, veering from socialism, espousing right-wing deviationism, worshiping the West, and failing to grasp Marxist-Leninist principles" still acts as an obstacle to renovation and creativity. These five charges hang over our heads like a threatening invisible force. Therefore, it is safest, for our own protection, to do whatever we are asked, to go along with what we are told, to toe the official line in discussions, to repeat others' lines of reasoning, and to follow others' examples in a passive manner.

In short, this is tantamount to marking time, with the renovation process progressing in a circle. If renovation is conceived only as a reformist undertaking, then its advance will resemble a spinning marble, and renovation will be merely a tendency of right-wing opportunism. If renovation is regarded only as a "social revolution" then it will be merely the uneasy state of an extremist attitude, or a tendency of left-wing opportunism. Could it be that renovation is a revolution of knowledge aimed at renovating society, a revolution that must begin with a revolution of thinking? In short, renovation is a socialist undertaking. This undertaking is not compatible with old-fashioned socialism; neither can it tolerate an attitude of denying the socialist ideal. All of the anticommunist, antisocialist forces want to drive us into these two extremist tendencies.

Commodity economy and social democratization are two new, progressive trends originating from the renovation line of the sixth party congress. The commodity economy is breaking up the artificially partitioned market and the rigid, inefficient planning process. The commodity economy has introduced its own law of value into the national economic battleground, creating a material premise for the law of socialist economics to be tested and to have an effect on realistic socialism.

Social democratization is breaking up the centralized, bureaucratic mechanism of management and "state socialism" and is creating material and moral premises for scientific socialism to appear in its true humanitarian, democratic, equitable, progressive, and modern form and character. The creative worker is the center of society.

Commodity economy offers the worker benefits and responsibility as the real master in both production and consumption, abolishing authoritarianism and promotion of personal and factional interests in both production and consumption. Social democratization is returning to the party its role as a political nucleus, a moving force of social progress, and is eliminating the malady of the party turning into a state body and social organizations turning into civil servants agencies. Renovation is infusing our society with a fresh vitality and restoring our people's confidence in the party.

If the party always knows that the people are the root, then the people will always believe that leadership rightfully belongs to the party. If this reciprocal relationship is not established, then legal recognition of the party's leading role will only exist on paper. For half a century, ending in 1980, there was no legal document to recognize the party's leading role. Nonetheless, the party's prestige was so high and the people's confidence in the party was so profound that the party's role was deeply appreciated by the people.

Despite the fact that the Democratic Republic of Germany's Constitution recognized the party's role at its 12th extraordinary session, held between 15 and 17 December of last year, the Socialist Unity Party of Germany's Central Committee expelled 12 members of the Political Bureau and Central Committee, including former party General Secretary Erich Honecker. The supreme organ of control also ordered the arrests of three official and alternate members of the Political Bureau and issued a search warrant against a party Central Committee member cum minister of state attached to the Ministry of Home Trade who fled the country following charges of involvement in illegal gun and foreign currency dealings. This resounded like gunfire announcing that "all citizens are equal before the law."

Was it a surprise? No, political events in socialist countries follow an inevitable path of development that the parties in those countries failed to predict simply because they had become so bureaucracy-minded, had distanced themselves from social psychology, and had lost their sacred ties with the laboring people. These political incidents are useful but very costly lessons.

The political upheavals in the socialist world are the combined result of two types of contradictions:

—The inherent contradictions that have existed for long periods of time within old-fashioned "socialism;" and
—The era's worldwide contradictions between socialism and capitalism.

While conditions existed for the era's contradictions to manifest themselves and exert their effect, the inherent contradictions increased in intensity to such an extent that socialism was unable to cope with them. The trend to maintain old-fashioned socialism through rigid theoretical formulas and violence and the trend to shift to capitalism are both weak because they do not have firm material and social bases. Any strong trend must involve efforts to renovate socialism. Even if a trend may be strong, it will lack the vanguard role of theoretical work. As a result, it can hardly avoid immaturity or even mistakes. Anyway, a trend can gain the people's hearts and as such, it is full of resourcefulness. It is also the era's trend. To act in line with the era's development means to comply with the law of evolution defined by historical materialism.

Communist leaders have all taken pride in their thorough understanding of Marxist-Leninist principles.

Their subjective thinking has been severely rejected by the following two social facts:

1. There have been no cases of communist and worker parties gaining power in modern capitalist countries.
2. There have been no socialist countries enjoying stability in a real sense of the term. On the contrary, there have been towering difficulties, protracted hardships, and political crises in various forms and on different scales.

So, is it true that Marxism-Leninism has stopped playing its historical role? No, this is absolutely not so. He who nurtures such an idea is already on the brink of hopelessness and degradation.

The vitality of Marxism lies in dialectical materialism and historical materialism, which, in fact, are the weapons that communist fighters must firmly grasp. People seem to forget a very dialectical principle mentioned in the Communist Manifesto as follows: "Anywhere and anytime, the application of principles must be based on current historical circumstances." Let us think about this principle and try by all means to put it into practice, because it creates an endless source of strength for adjusting and perfecting the theoretical treasure of Marxism-Leninism. Here is another principle espoused by Lenin in 1921: "A revolution is the fiercest war of wars during which stupidity will be punished by setbacks. On what grounds can people say that for the great world revolution to succeed, only revolutionary methods should be used? There are no grounds whatsoever. This concept is totally wrong. If we base ourselves on both theoretical principles and Marxist standpoints, we will see that this statement is completely wrong by itself. Theoretically, during the revolutionary stage, as well as at other times, people always commit stupid mistakes. Engels said so, and his statement was correct. It is necessary to make every effort to minimize the number of stupid mistakes and to promptly rectify them, if any."

What is to be done in renovating the management of state economy? Two contradictions actually exist.

1. State-run installations are slower than other economic sectors, both in renovation and in terms of productivity and economic results.
2. The state-run economy demands equality with other economic sectors before law.

There are two phenomena of psychological development which have not been analyzed:

1. All districts and precincts want to keep their own state-run installations.
2. Eighty percent of industrial youths are displeased with the management in factories.

Current thinking has not manifested the truth about Decision 217—a system that none opposes yet none sees as "good."

These two contradictions, the two psychological phenomena, and this thinking are causing trouble that is hard to manage for the state economy. Renovating management of the state economy means removing these five problems. These five problems should be analyzed and operated on in order to discover an effective solution. The comrade state managers, economists, and cyberneticians themselves, and no one else, are the surgeons who must perform the required operation. The task is none of the politicians' responsibility.

Politics is a concentrated manifestation of the economy. This means the economy serves as a base for politics. Such is the dialectical relationship between politics and economy. If information from economic bases is lacking or untrue, then politics will be bureaucratic, inflexible, and general or even impose discipline and monopolize truth. Once politics monopolizes truth, the economy will be dispersed and disturbed. A recently learned lesson is that if a single model of socialism is applied to different countries, the consequences will be sluggishness and crises.

The vital lesson to learn in renovation is that in economic and political reforms, we should not be impatient and hasty. We must take harmonious, accurate steps. We cannot walk with one short leg and one long leg, nor can we walk lame with one leg.

Some countries have paid too dear a cost for lessons learned through sheer inertia, seeing no need for reform, and the communist comrades in those countries have had to bear the consequences. In other countries, a bloody lesson was learned and the people have had to suffer because of slow political reform. Our specific lesson is that it has taken us many years to remove the system of many prices and false face values for goods and to eliminate the chronic ills of "false profits and real losses."

Presently, a psychology of enthusiasm prevails from the overwhelming availability of goods. Yet, this reflects an unawareness of the risk of "false excess, but true shortages." An excess of goods in a society lacking purchasing power is a cause for alarm rather than a reason for celebrating with firecrackers!

This is our renovation of state management against the background of the situation in the world and the country. Our society's current psychology is that we have begun to feel happy because the pressure of inflation and prices is no longer as heavy as it was in 1988 and because we are waiting for the progress of economic reform. We have started rushing into political reform, focusing on the two main issues of democracy and cadres. If this is true, we should not belittle these two issues in the renovation of state management. If this is not the current social psychology, then I have committed a bureaucratic mistake because of my emancipation from social psychology.

May I boldly make some suggestions about what principles should guide the renovation of state economy?

1. The departure point is the strategic concept of increasing labor productivity in the country while shifting our direction abroad.
2. The state economy should be rearranged and aimed at the following requirements: Occupy the leading position in the economy, receive modern technology step by step, and achieve high results on the strength of independent economic cost accounting.
3. Econmic results and the key role in the economy must be achieved through production and thrift based on the application of technical innovations and progress in management, considering it to be the law of transition to socialism in our country. Uncle Ho's unique economic thinking was: "Production without thrift is just like wind blowing through an empty house."
4. The relations of interests must be handled harmoniously, considering the workers' individual interests to be the most important motivating force.
5. Competent and devoted management cadres must be assigned, skilled workers trained, and directors' authority exercised, requiring directors to have democratic, resolute behavior. The principle of subjecting the minority to the majority will not be applied in factory management. Although views are to be solicited in the performance of tasks concerning cadres, directors should not be elected.

What conditions does a manager need in the renovation process?

The first condition is that he must give up his dogmatic and formalist way of thinking. Socialism, according to the doctrine of Marx, Engels, and Lenin, is not a set of dogmatic theories; it is rather a general guideline for action.

Socialist society, as Engels pointed out, "is not a society that can be perfected instantly. Like all other social systems, it needs to be reexamined in the context of constant change and reform."

In this spirit, we are examining the changes in all the socialist countries without exception. These changes have shown that failure to regularly carry out reforms will lead to stagnation and crisis.

Historically, the socialist system replaced the capitalist system. As such, it must be definitely superior to the capitalist system. By the same token, the capitalist system had replaced the feudal system because it was far superior to the latter.

Socialism is not a perfect socioeconomic system for two reasons: First, socialism still cannot deny all the imprints of the capitalist legal system. What is more, it should inherit the existing scientific achievements and democracy of the capitalist society because these values of human civilization are not the private property of capitalism but are the products of mankind's intelligence. Second, socialism is the preparatory stage of communism, humanity's highest form of socioeconomic organization. It constitutes the transition from the stage of people working according to their abilities and being paid according to the quantity and quality of their work, to the stage of people working according to their abilities and being paid according to their needs. Thus, socialism is the waiting room from which one will proceed to communism.

The second condition a manager needs is the ability to institute new work discipline, to build new relationships between people, and to create new forms of organizations and work methods by means of fair and reasonable persuasion and material incentives in order to encourage the masses to work zealously. Lenin considered this task as the most useful and noblest undertaking.

The third condition is that a manager must know his job, especially the special characteristics of his field, must be capable of making economic analyses, and must have at least an elementary knowledge of marketing and psychology.

The fourth condition is that a manager must not rely entirely on the upper level and must not meddle in the affairs of the lower level. He must be able to recognize the strengths and weaknesses of both the upper and lower levels and he must be bold enough to correct the mistakes of the lower level and to suggest that the upper level correct theirs.

The fifth condition is that a manager must know the working capabilities of each man under his supervision, and must readily and eagerly listen to the views of his subordinates. He should not fear that some of his subordinates may be more capable than he is, and he must absolutely avoid favoritism and nepotism..

The sixth condition is that a manager should always be honest and should never conceal the truth, exaggerate his achievements, or downplay his shortcomings. He should not relish in flattery, nor should he try to flatter others. He should not fear being persecuted, nor should he persecute others. He should be objective in his criticisms and serious in his self-criticisms. Keeping track of the shortcomings of others and waiting for an opportunity to publicly criticize them is a bad practice that a good manager should avoid.

The seventh condition is that a manager should know how to deal with people correctly. He should act as a leader in work but treat others with equality in personal matters, because equality is the cement that strengthens people-to-people relations in society.

The eighth condition is that a manager should live for a purpose, serving common interests. He should respect reason and love and attach importance to improving his own knowledge and that of his colleagues.

The ninth condition is that a manager should remain calm when confronting disparaging rumors about himself. He should not be angry and should avoid making criticisms, launching investigations, and suspecting

everyone. A righteous man should never fear false accusations. However, he should calmly try to find out the sources of information deemed harmful to the country's common cause.

The tenth condition states that since renovation is an unceasing process, inertia and complacency will directly impede its progress. Constant inspection and creative thinking based on reality should be used to promote new initiatives. Incessant adjustments, amendments, and renewals will ensure the vitality of the renovation process. The manager is the embodiment of that vitality.

Further Discussions Held on Draft Platform

Con Dao Youths Meet

BK0303161990 Hanoi Domestic Service in Vietnamese 2300 GMT 22 Feb 90

[Report by Vung Tau-Con Dao special zone radio correspondent Duc Lien on views contributed to the party Central Committee's eighth plenum draft platform at a session held by the youth club of the special zone Ho Chi Minh Communist Youth Union]

[Text] In recent days, together with other localities throughout the country, Vung Tau-Con Dao special zone held many political activity sessions to discuss and solicit opinions from the people concerning the party's platform on renovating and intensifying its mass proselytizing work and truly developing the people's right to mastery. On 16 February, representatives from all grassroots youth union organizations in the special zone were present at a session held by the special zone youth union to contribute views to the party. For four hours, youths took turns to actively exchange views on the party's draft platform. Their views reflected their responsibilities in party building work as well as their worries about the country's future generations.

With devotion to the cause of youth union members, Mr. Truong Dinh Du, a cadre attached to the special zone's committee for youth and children, suggested that the party's platform on mass proselytizing work this time should specify the part about care and education for teenagers and children. He said the platform still failed to point out clearly the position and role of the youth union and only mentions its tasks. In his opinion, the platform should point out more clearly and specifically the relations among party, administration, and the youth union in order help bring about more positive action in the youth movement.

During a nearly 30-minute debate on the draft platform, Tran Van Cuong, a youth union cadre attached to the special zone's marine product and agriculture service, presented many views. This showed that he had carefully studied the draft platform. Cuong said some portions in the platform repeatedly touched on issues that had already been clarified, such as the portion that reads: The party always stays with the people; it does not stay aloof from or above the masses. To ensure that the people's right to mastery is truly promoted, Cuong said conditions in law must be created to help people to exercise their right to mastery, in addition to protecting citizens who dare to tell the truth from being subjected to persecution.

In their statements, Phan Nhat Nam and Ha Van Tung, cadres of the special zone youth union, and Comrade Dinh, a youth union cadre attached to the agriculture service, expressed worries about the increasingly poor quality of education. They also worried about human strategy and the failure of the party and state to pay adequate attention to the material bases necessary for educating the following generations. They maintained that the revolutionary perception and ideal of youths and teenagers are being effaced.

Beginning his statement, Nguyen Van Minh, a youth union cadre attached to the local tourism and oil and natural gas service corporation, said: Our nation's history has affirmed the significant role of the masses. Therefore, the lesson of regarding the people as the root is not a new issue. The national liberation revolution and the socialist revolution in our country have again proved that the masses are those who create history. He stressed: It is necessary for the party and state to have fair and reasonable social policies. If social justice is satisfactorily achieved, it is certain that the party will be able to win the confidence of a broad segment of the masses. Speaking at the session, Comrade Ngo Thanh, standing member of the special zone party committee and head of its propaganda and education section, said: The draft platform on the party's mass proselytizing work scrupulously and adequately deals with self-criticism in this work. All youths who were present at the session agreed that the party's draft platform raises the question of returning to the base and regarding the people as the root. This, athough somewhat late, is necessary for the new revolutionary stage at present.

Ho Chi Minh City Meeting

BK0703090390 Hanoi VNA in English 0716 GMT 7 Mar 90

[Text] Hanoi VNA March 6—The current public debate on the draft program of the forthcoming 8th Plenum of the Central Committee of the Communist Party of Vietnam is drawing the largest participation of the population of Ho Chi Minh City since liberation in 1975.

Also brought to public discussion are party General Secretary Nguyen Van Linh's speech at the celebration of the 60th party anniversary and the reports of the local party committees.

The secretary of Ho Chi Minh City's party committee, the city mayor and other local leaders attended many such discussions organised at factories, public offices or communes. A group of reporters of the daily NHAN DAN who covered this political campaign gives the following sum-up of the debates:

1. Most speakers agreed that the achievements of renovation in the past three years are undeniable but asked that the causes of this success be given a more systematic and clearer analysis. They do not agree with the conclusion in the draft program that renovation has become "a movement of revolutionary activities of the masses" because it has not yet become a movement in the true sense of the word. Many proposed that the party define in more concrete terms its relations with the intellectuals, the religious people, the ethnic groups, the overseas Vietnamese, etc...

2. The draft should lay more emphasis on the reorganization of the party itself as the basis to broaden democracy and realize social equity, strengthen the people's power and the mass organizations.

In this connection, it is necessary first of all to separate the functions of the party from those of the state, ensure the initiative of action of the mass organizations and respect their autonomy.

The party leadership must be effected through the laying down of correct policies, through giving full play to the vanguard role and exemplary deeds of party cadres and members and through supervising the implementation process.

3. All agreed that to rapidly reorganize the party has become a task that cannot be delayed any longer. The party must adopt at an early date its political programme to provide the basis for the government to work out the long-term socioeconomic strategy which, in turn, would serve as a focal point to rally all the political and intellectual strength of society. The most urgent tasks now are to reorganize the party with first emphasis on the qualifications and ethical standard of party cadres and members, and to amend the party statute in order to wipe out bureaucratism which is the source of negative acts. Many group discussions suggested the party should define the new criteria for party membership in which a good relationship with the masses must be an important requirment. They asked for a new mechanism for the masses to supervise the work and behaviour of party members and to contribute to improving the party leadership.

4. In the light of the suggestions contributed from different quarters, the participants in the public debates proposed that the draft program on the mass mobilisation work of the party be profoundly altered in its present structure, contents as well as wording.

Nguyen Quyet Article Discusses People's Army

BK2502152890 Hanoi QUAN DOI NHAN DAN in Vietnamese 21 Dec 89 pp 1, 4

[Article by Senior Lieutenant General Nguyen Quyet: "Our Army, the People's Army, a Fighting, Working, and Producing Army"]

[Text] The Vietnam People's Army's 45-year history of unit building and growth, fighting and triumph attests to President Ho Chi Minh's statement that "our army is endowed with an invincible strength because it is a people's army founded, trained, and educated by the party."

Our army was born out of the people to whom its service is devoted. The relationship between the army and the people of flesh-and-blood and a source of invincible strength for our army in the cause of national liberation in the past as well as in national construction and defense at present.

Our army has been organized, led, and educated by the party and Uncle Ho. Therefore, the goal of the party and the nation is also the army's goal of struggle. The goal of struggle of the party and the nation serves as an orientation and driving force for the army's actions. The army's persistence in the party's goal of struggle reflects its loyalty to the party and the people and the political acumen displayed by its cadres and combatants in various revolutionary circumstances. After achieving the goal of the people's national and democratic revolution and taking the entire country to socialism, our goal is to struggle for the sake of the socialist fatherland and the people's happiness. In struggling to achieve the socialist goal, not only have we enjoyed advantages and achievements, but we have also faced numerous difficulties resulting from our shortcomings and mistakes. The current renovation in our country and the reforms in a number of other socialist countries, especially, are creating very serious and complicated difficulties. However, achievements scored by our entire party, people, and army over the past few years in various aspects of life have proven that the path we are taking is the only correct one. Now more than ever, cadres and combatants must neither be swayed nor shaken and must be more persistent on the socialist path chosen by our party, our Uncle Ho, our people, and our army six decades ago. They must persist in the renovation undertaking initiated since the sixth party congress and the renovative principles outlined in the resolutions of the party Central Committee's sixth and seventh plenums.

Our army is a tool of force of the working class and the people in the revolutionary struggle for achieving national independence and for regaining and maintaining power. As a tool of force of the system of dictatorship by the proletariat, our army has joined the people in fighting the enemies of our nation and our class in all aspects of life. Fighting and remaining combat ready will always be our army's fundamental functions and primary tasks, which require that it fight until there is no enemy soldier left in our country. Now that we have founded the socialist Vietnamese fatherland and set up the system of dictatorship by the proletariat at a time when our people are working toward building socialism, our army's combat functions have not been scaled down. Instead, they have become much heavier and complicated. Together with compatriots nationwide, our army has fought victoriously and is now trying to remain

combat ready to defend our fatherland, our proletarian dictatorship, and our revolutionary gains, and is fulfilling its national duties as well as its lofty internationalist obligations.

Faced with the current trend toward detente, imperialism has been forced to change its tactics. However, its counterrevolutionary nature remains unchanged. Led by the United States, imperialism is trying to realize "peaceful evolution." Combined with the use of "military deterrent," they are trying to attack and destroy the socialist system. The U.S. imperialists and other reactionary forces are carrying out a multifaceted sabotage strategy against our country. This poses an inevitable, wide-ranging requirement for our army to maintain a high sense of revolutionary vigilance and be combat ready in order to firmly defend the socialist fatherland. Our army must be alerted to all schemes and tricks of the enemy's war of aggression while remaining vigilant in all aspects—militarily, politically, ideologically, culturally, and economically—against the enemy's multifaceted sabotage strategy. Firmly defending the fatherland involves remaining combat ready to defend the border, off-shore islands, territorial waters, and airspace in the fatherland's territorial sovereignty, preserving the socialist regime and the people's right to mastery, absolutely respecting the party leadership, uniting closely around the party Central Committee, remaining a loyal and reliable political force of the party, resolutely preserving the party, and protecting proletarian internationalism and socialist internationalism. Firmly defending the fatherland also involves joining with the entire party, people, and other forces in defeating the enemy's comprehensive sabotage strategy and firmly maintaining public order and safety and political security.

Apart from its basic function as a fighting army, our army is a working army. That function is part of its fine nature and tradition, which has been demonstrated and built up in the process of fulfilling national obligations and performing international duties during the past 45 years. As the beloved father of the Vietnamese armed forces, President Ho Chi Minh always advised: "Each person in the army must serve as a propagandist and must strive to help the people and win their confidence, respect, and love." Our army's function of a working army involves, first, persuading, educating, and encouraging the people to adopt the party's viewpoints and policies, and building political forces and bases among the people. Soldiers not only have to fight to protect the people but also have to devote themselves to assisting the people in increasing production and carrying out social tasks, as well as to helping the people overcome the consequences of natural disasters and epidemics when they are in distress. In dealing with the people, soldiers always instill in them a profound class-conscious love, respect them and their customs and habits, and do not intimidate them or act as their "saviors." Thanks to this, our soldiers are always welcomed, loved, and remembered by the people. While performing their international duty in Laos and Cambodia, our soldiers not only carried out their combat assignments outstandingly but also did a good job in persuading, educating, and encouraging the peoples of these friendly countries to join the revolution, as well as in building revolutionary bases and forces and mass organizations at the grass-roots level. Our soldiers also actively participated in the revolutionary movement of the peoples in various localities of these countries, considered the peoples of these countries to be their compatriots, and helped them wholeheartedly in carrying out production and shaping a new life-style. As a result, our soldiers were affectionately protected, loved, and assisted by the peoples and armies of Laos and Cambodia.

To satisfactorily fulfill the function of a working army, all cadres and combatants of our army must strive to study and firmly grasp the lines, viewpoints, and policies of our party and state, and must truly serve as mass-proselytizing cadres and "exemplary propaganda cadres" as instructed by Uncle Ho. Our army's current function as a working army involves a particularly wide range of activities. However, we must, first of all, conduct propaganda deeply and broadly among the people about the path of socialism, the building and development of the economy, the tasks of defending the fatherland and consolidating the all-people national defense system, the launching of the people's war for national defense, and the development of the armed forces and people's army. This is to enable the entire party and people and all localities, sectors, and echelons to participate in strengthening the all-people national defense system, building up the people's army, and developing the economy along with consolidating national defense. All cadres and combatants must truly attach themselves closely to the people, help the people, and respect the people and their right to mastery and interests. They must also respect the people's administration and pay a great deal of attention to the people's livelihood and happiness. It is necessary for us to overcome and correct shortcomings in our relations with the people and in strictly maintaining discipline in mass-proselytizing work and adopting the "12 advices" given to the army by Uncle Ho. This is aimed at reviving the army's prestige and fine tradition and making ourselves worthy of the confidence and love given to "Uncle Ho's soldiers" by the party and people. Our army's current function as a working army also involves actively participating in the struggle against negativism for the restoration of social discipline, as well as against the enemy's and bad elements' propaganda allegations and reactionary and decadent cultural materials, thereby helping to stabilize the political and social situation in areas where we are stationed.

Our army takes part in production, a function belonging to their fine nature and tradition. Assisted by the people, throughout various stages, our army units in every locality have always considered production to be an important task. As Uncle Ho put it, fighting and production are the "two highly important tasks that should be carried out in close combination with each other in order

to make our army ever stronger." All units of our army have coordinated with the people in increasing production or have increased production by themselves. During the war of resistance against the Americans, many units set up rear bases for military training purposes along with increasing production aimed at improving soldiers' diets and helping to overcome difficulties in the rear areas and to shoulder part of the people's contributions to soldiers. Our army has contributed worthily to our people's success in the process of "resistance and national construction."

In the cause of national construction and defense, the army's task of engaging in productive labor for economic construction has become much heavier as already affirmed by the party and the state. We now enjoy favorable conditions not only in building an increasingly modern regular army but also in engaging in productive labor for economic and national construction. All units, regardless of whether they are on the front line or the rear and whether they are undergoing training or performing their combat-standby and combat tasks, must make plans to actively carry out production for self-sufficiency in order to improve soldiers' diets, to provide assistance to the needy families of cadres and combatants, to support themselves with part of their food requirement, and to ensure soldiers' spiritual and material lives.

In combining economic construction with national defense, many units have moved to sensitive areas and strategic positions in defiance of rugged and barely accessible terrain in order to build forestry sites, state farms, and roads, and to carry out capital construction projects. They have turned themselves into bright socioeconomic examples of the country. With its tradition of overcoming difficulties and developing its strengths as a military organization, our army has received and completed many important projects such as water and road construction projects for the state and various localities. Many units have singlehandedly undertaken or participated in building various high technology modernization projects. They have been awarded the Labor Hero title by the state for satisfactory performances. Many national defense enterprises and military research establishments have also satisfactorily fulfilled their national defense task while making active contributions to the country's socioeconomic construction. Our army's function as a producing army has also been reflected in its sense of self reliance, its practice of thrift in military training, its management of time, its utilization of manpower and means, its management of financial expenditures, its utilization of supplies, and its efforts to exploit to the fullest the economic conditions and potential of each individual and unit and to satisfactorily store and maintain weapons and technical equipment and means. It has managed to use its weapons and equipment in a thrifty fashion but with the highest results.

Our army has performed its three functions as a fighting army, a working army, and a producing army depending on the revolutionary situation arising in each locality and at each moment. Our army units have always firmly understood and satisfactorily fulfilled their primary functions. They have quickly overcome shortcomings and irregularities. They have neither belittled their tasks in unit building and combat readiness training nor have they underemphasized their productive labor and their duty as a working army, for these tasks are designed to develop the our army's combined strength in the implementation of the two strategic tasks assigned to it by the party and the state. These three functions are the intrinsic character of our army and its fine traditions. Facts over the past 45 years show that our army is not only an invincible army but also an important political force capable of effectively carrying out mass-mobilization work. It is an army that has actively engaged in productive labor and has great abilities for conducting economic business and engaging in the country's economic construction.

Nature, traditions, and capabilities cannot develop by themselves. Instead, they must be constantly generated and shine in the heart of each individual. They must be turned into a legitimate source of pride for each individual and for the entire generation, and must be translated into concrete actions in the everyday life of the army, of each unit, and of each cadre and combatant. More than that, they must be exploited creatively to suit the specific situation in the current renovation undertaking. Only by so doing can our army's fine nature and tradition be fostered and built up, and can our army's prestige and capabilities be reflected in the everyday life of the country and the people. This is one of the most important lessons learned by our army during its 45 years of unit building and combat.

Foreign Journalist Views New 'Achievements'

BK2202050390 Hanoi VNA in English 0728 GMT 21 Feb 90

[Text] Hanoi VNA February 21—Vietnam's open-door policy has gained "surprising achievements," wrote journalist Jin Zi Pinh in an article published in the Chinese-language magazine "Cheng Ming" in Hong Kong in December 1989.

Jin Zi Pinh noted that each time he visited Ho Chi Minh City, he saw new changes that he couldn't imagine.

About his most recent visit to the city, the author remarked that everyone looked cheerful and confident of the future. He wrote that wherever he went, he saw a plenty and a diversity of consumer goods piling up in shops, and the mushrooming of hotels and restaurants several of which had been reconditioned and expanded like the Doc Lap, Nha Be, Cuu Long, and Ben Thanh and were occupied by tourists from Japan, South Korea, Taiwan, Singapore, and Hong Kong.

According to the journalist, Vietnam's renovation policy brought about two outstanding achievements: increase of rice production and stabilization of the value of the currency.

He noted that after Vietnam's total troop withdrawal from Cambodia in September 1989, a number of Western countries began changing their policy favorably to Vietnam's open-door policy.

He also predicted an even faster advance thanks to Vietnam's rich natural resources.

Thai Army Commander Receives Vietnamese Envoy

BK2803163590 Hanoi VNA in English 1521 GMT 28 Feb 90

[Text] Hanoi VNA Feb. 28—Gen. [General] Chawalit Yongchaiyut, acting high commander and commander of the army, has welcomed Vietnam's socio-economic achievements in its renovation process. He was speaking at his reception of Vietnamese Ambassador Nguyen Trung who paid him a courtesy visit in Bangkok on Feb. 26.

The Thai army leader also expressed his optimism at the fine prospects of the Thai-Vietnamese relations.

Speaking later to the press, Gen. Chawalit Yongchaiyut said that the Thai government and people never looked upon Vietnam as an enemy, but a good friend. Thailand could discuss peace in the region with Vietnam, and Vietnam had understood our stance, he added.

Ambassador Nguyen Trung extended Vietnam's invitation to Gen. Chawalit Yongchaiyut to visit the country. The latter has accepted the invitation.